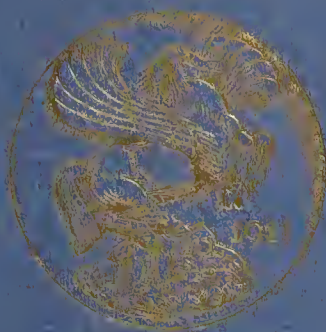


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FIFTIETH ANNIVERSARY REPORT

AND ANNUAL REPORT
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30TH, 1961

CARNEGIE CORPORATION
OF NEW YORK

589 FIFTH AVENUE, NEW YORK 17



ANDREW CARNEGIE

FIRST LETTER OF GIFT

November 10, 1911.

To the Trustees of
The Carnegie Corporation of New York.

GENTLEMEN:

I hereby assign and transfer Twenty-five Millions of Dollars in First Mortgage, fifty year bonds of the United States Steel Corporation, the principal of which is to be held and the interest and income thereof applied for the purposes of the Corporation, as stated in its charter; viz., "to promote the advancement and diffusion of knowledge and understanding among the people of the United States by aiding technical schools, institutions of higher learning, libraries, scientific research, heroic deeds, useful publications, and by such other agencies and means as shall from time to time be found appropriate therefor."

My desire is that the work which I have been carrying on, or similar beneficial work, shall continue during this and future generations.

Conditions upon the earth inevitably change; hence, no wise man will bind Trustees forever to certain paths, causes or institutions. I disclaim any intention of doing so. On the contrary, I give my trustees full authority to change policy or causes hitherto aided, from time to time, when this, in their opinion, has become necessary or desirable. They shall best conform to my wishes by using their own judgment. . . .

My chief happiness as I write these lines lies in the thought that even after I pass away the wealth that came to me to administer as a sacred trust for the good of my fellowmen is to continue to benefit humanity for generations untold, under your devoted and sympathetic guidance and that of your successors, who cannot fail to be able and good men.

*my dear dear friends
I thank you one and
all God bless you
Ever your devoted
Andrew Carnegie*

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FIFTY YEARS IN REVIEW

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Preface

THIS report deals with the events of Carnegie Corporation's first fifty years. It makes a number of references to Mr. Carnegie but none to the other men and women who played the major roles in determining what these events would be. I want therefore to pay tribute here to all of the trustees who have endeavored over the years to mold an institution worthy of Mr. Carnegie's original conception—men such as Elihu Root, Russell C. Leffingwell, Elihu Root, Jr., Arthur W. Page, and many others. I also wish to pay tribute to my predecessors in the presidency—men such as Frederick P. Keppel, Devereux C. Josephs, and Charles Dollard, each of whom left the indelible mark of his character and personality on the Corporation. If the record is praiseworthy, it is so because of these men and women who have shaped and reshaped Carnegie Corporation over the years.

This fiftieth anniversary report is dedicated to those recipients of grants who have used Carnegie dollars wisely and creatively. A foundation succeeds or fails according to whether it finds gifted and devoted men and women to use its funds. The Corporation has found many. The value of their achievements far exceeds the sum of the Corporation's grants.

A handwritten signature in blue ink, reading "John W. Fisher". The signature is fluid and cursive, with a large initial "J" and "F".

PRESIDENT

Introduction

Carnegie Corporation of New York was founded in 1911. But the story begins before then. It begins before Andrew Carnegie's career as a philanthropist was launched, even before the financial successes that made that career possible. Indeed, those who know most about the formation of character would argue that the story began before the twelve-year-old Andrew Carnegie reached these shores in 1848.

Most American school children know the story of that towheaded boy from Dunfermline, Scotland. They know of his first job—that of bobbin boy at \$1.20 a week—and of his later rise to wealth and fame. We shall not recount the story here.

At the age of 33 Andrew Carnegie first expressed the philosophy of giving that was destined to have such spectacular results. Already a wealthy man, he penned a note to himself, undiscovered until after his death, in which he made a pledge to devote his surplus wealth to benevolent purposes.

His early views matured into the well-known "Gospel of Wealth." The "Gospel," which appeared in an article in the *North American Review* in 1889, electrified two continents. In Mr. Carnegie's view rich men were essentially trustees of their wealth. They could keep enough to maintain themselves and their families in more than comfort, but the rest should be distributed to promote the welfare and happiness of their fellow men.

The Carnegie Philanthropies

Mr. Carnegie's efforts to live by this philosophy had begun some years before the publication of the "Gospel" with the donation of a library to his native town of Dunfermline. In the 1890's his giving assumed major proportions. In Pittsburgh, he endowed the Carnegie

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Institute, comprising a department of fine arts, a museum of natural history, and a music hall, and founded the Carnegie Institute of Technology, which has become one of the nation's great technological universities.

In 1901 he set up the Carnegie Trust for the Universities of Scotland to assist needy students and to strengthen the universities. For the betterment of social conditions in his native town of Dunfermline, he endowed the Carnegie Dunfermline Trust. And in 1913, to improve the well-being of the people of Great Britain and Ireland, he established the Carnegie United Kingdom Trust.

The Carnegie Institution of Washington, which he created for basic research in science, has become one of the greatest of the nation's independent research laboratories. He endowed The Carnegie Foundation for the Advancement of Teaching primarily to serve as a pension fund for college teachers, but also to undertake educational studies. His deep concern for the abolition of war led to the establishment of the Carnegie Endowment for International Peace. And to recognize heroism in the peaceful walks of life, he created Carnegie Hero Funds in the United States, the United Kingdom, and nine European countries.

Aside from the organizations he endowed, Mr. Carnegie gave hundreds of substantial gifts to colleges and literally thousands of personal gifts for a great variety of purposes.

When he decided, in 1911, to place the remainder of his fortune—amounting ultimately to \$135 million—in one large, general-purpose foundation, it was by no means easy to find a name for the new organization. In 30 years of intensely active philanthropy he had used up all of the conventional labels: foundation, institute, institution, endowment, fund, trust. Thus did Carnegie Corporation receive a name that is far from descriptive of its purpose. As stated in its charter, it is an educational, general-purpose foundation “to promote the advancement and diffusion of knowledge and understanding among the peoples of the United States . . .” and certain Commonwealth areas outside the United Kingdom.*

* The income from 7.4 per cent of the Corporation's assets may be used in certain British Commonwealth areas; all other income must be spent in the United States.

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It is now widely recognized that the men who created the modern foundation—Mr. Carnegie, John D. Rockefeller, and others—accomplished considerably more than a demonstration of their own generosity. In fashioning a distinctively new type of philanthropic institution, for general instead of specific purposes, they made a genuinely creative contribution to American life.

Nature of the Modern Foundation

The modern foundation joins two great American traditions. One is the tradition of private giving for public purposes. In 1835 de Tocqueville remarked on the spirit of mutual helpfulness that characterized the American community, and in 1888 James Bryce wrote, "In works of active beneficence, no country has surpassed, perhaps none has equalled the United States."

The other great American tradition nourishing the modern foundation is that of searching creatively for solutions to the problems of mankind, a search which Americans have pursued with notable energy, optimism, and imaginativeness.

The contribution of Mr. Carnegie, Mr. Rockefeller, and the other early philanthropists was to bring these two traditions together and to devise an instrument capable of serving both. The modern foundation as we know it is an impressive social invention. Wealth is nothing new in the history of the world. Nor is charity. But the idea of using private wealth imaginatively, constructively, and systematically to attack the fundamental problems of mankind *is* new.

One of the most remarkable innovations of the creators of the modern foundation was their early decision to leave the conventional tasks of charity to those organizations that had originally borne them and to forge for the new foundation a new role with respect to human welfare. Briefly, they proposed to concern themselves with the fundamental problems of man rather than with palliative measures. They set themselves the task, not of caring for the ill, but of preventing and curing illness; not of feeding the hungry, but of discovering improved methods of growing food; not of protecting the ignorant, but of discovering ways to diminish ignorance. This philosophy is now so familiar that it is difficult to recall how imaginative and forward-

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looking it was at the time. The establishment of institutions charged wholly with a creative concern for the fundamental problems of human life was a momentous innovation.

A 50th Anniversary Report

In this 50th anniversary report we try to identify what has been implicit in the history of Carnegie Corporation. The explicit history of its actions is already recorded. For 40 of its 50 years the Corporation has published detailed annual reports; in the previous 39, as in this one, are records of all the dollars spent, to whom they went, for what purpose. One could read these reports as a chronological history, noting shifts in emphasis and direction here and there. Or one could sort the grants into categories and analyze just how much had been spent over the years for adult education or libraries or international studies. Such analyses, of interest in themselves, are made available from time to time in pamphlet form. Here, instead, we say what appear to us, with the advantage of hindsight, to have been the most important goals of the organization and describe how those goals have been pursued.

Individual Fulfillment

A significant aim reflected in 50 years of grant-making can be summed up in one phrase: individual fulfillment. If any single theme underlies hundreds of specific grants it is the concern to encourage individuals to realize their talents, potentialities, interests, skills—their best selves—for their own good as well as for the betterment of society. Those Carnegie activities that seem to deal most directly with the specific fulfillment of the individual are grouped together in this section. They include the identifying and nurturing of the individual's own potentialities and the possibility of his realizing them through continued learning all his life long; the fostering of creativity in the individual artist or writer or scientist or educator; and the developing of appreciation of creativity as expressed in the fine arts.

Libraries

“There is no frigate like a book . . . ,” wrote Emily Dickinson; and although she thought it was a “fragile chariot,” it still remains the sturdiest vehicle for carrying an individual through lifelong learning.

No one ever agreed with Miss Dickinson's sentiment more ardently than Andrew Carnegie. Some years before she penned those lines, young Andrew, a sixteen-year-old messenger boy at the time, was one of a small group of working boys permitted to use the private library of Colonel Anderson, a wealthy citizen of Pittsburgh. The experience left an indelible impression on Carnegie, and to this day the philanthropic works for which he is most widely known are the Carnegie libraries.

The first great task which fell to the newly established Carnegie

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Corporation was to carry forward Mr. Carnegie's massive library program. Before he endowed the Corporation Mr. Carnegie had given nearly \$43 million to help set up free public and academic libraries. To establish the principle that it is the community's responsibility to provide free library service, Mr. Carnegie required each municipality receiving a grant to donate the land and a minimum annual budget for the library. A total of 2,509 libraries were built with Carnegie funds in the United States, Canada, Australia, New Zealand, and other parts of the English-speaking world.

Today many of the original buildings have outlived their usefulness; some have been replaced by newer ones. But the idea that they embodied is as fresh and relevant as ever. No American community today would be without free public library service.



The establishment of the libraries soon created a need for well-trained librarians, and for some years following World War I the Corporation made many grants to strengthen library schools. In 1926 a large grant was made to help establish the Library School at the University of Chicago—the first school in the country devoted to work at the graduate level, and hence in a position to play an important part in the development of high professional standards in the field.

It became apparent that the library field needed an effective central organization, and the Corporation made a number of large grants toward support of the American Library Association. Later—chiefly in the 1930's—the Corporation turned its attention to the strengthen-

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ing of academic libraries and contributed considerable sums for the purchase of books and for the endowment of college libraries and librarianships.

As libraries became well established in settled communities, the Corporation sought to assist in extending library service to remote areas. Regional library demonstrations, including bookmobiles, were set up in Canada and the British West Indies and in rural areas of the United States.

In 1947 the Corporation supported a major study of the public library; and in 1949 a large grant was made toward the establishment of the Midwest Inter-Library Center, the first large-scale inter-university deposit library. For the first library school in tropical Africa, the Corporation in 1960 made a grant to University College in Ibadan, Nigeria.

It is one of the philosophic maxims of the modern foundation that once it has got something going—an idea, a program, or a project—the foundation should then move on to new endeavors. Thus the Corporation's activities in the library field have diminished over the fifty-year period. Its early experience in this field, however, strongly affected the later actions of the Corporation. Expressed in the broadest terms, Mr. Carnegie's interest in libraries was an interest in individual fulfillment. He was not pursuing an abstract interest in education, or in literature, or in community cultural responsibilities. He certainly was not interested in the buildings as buildings—though he was sometimes accused of this. What *was* he interested in? In the simplest terms, he wanted to make available to every individual, rich or poor, the opportunities for personal growth and enrichment to be had through reading. He sought in this way—and in many other ways—to ensure that each individual would realize his potentialities. And that, of course, is the great theme that runs through all of American education.

Continuing Education

The Corporation's concern with the library field foreshadowed a concern with lifelong learning that persists to this day. One of the first foundations to take an interest in adult education, in 1918 it

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initiated a series of studies of Americanization which included a study of "The Schooling of the Immigrant." The first conference on adult education held in the United States was called by the Corporation in 1924.

Between 1925 and 1941 the Corporation spent substantial sums in this field, chiefly through the American Association for Adult Education, which it helped to establish. A variety of grants were made to organizations willing to try new methods of teaching and new approaches to students. A considerable sum was spent to encourage the use of radio as an educational medium. Among the other projects were: adult education among the Spanish-speaking population of Taos, New Mexico; experiments in Negro adult education; and educational programs for prisoners. During the depression years the Corporation supported the National Occupational Conference, which acted as a clearing house for information and which also conducted experiments and evaluated operating programs in vocational guidance and occupational placement.

In the Commonwealth, too, Carnegie funds have been used for various experiments in adult education, particularly in Canada, Australia, New Zealand, and some African countries. Perhaps the most interesting experiment undertaken during these years was carried on by St. Francis Xavier University in Nova Scotia. In this rocky, rugged coastal section, life was difficult at best. The people had all they could do to feed and clothe their families. They had no funds to build agricultural and fish canneries, or to exploit the area's resources in other ways. With assistance from the Corporation, the Extension Division of the University organized the fishermen, miners, and farmers in the areas into adult education groups. The result was the development of cooperatives for producers and consumers, credit unions, new schools, and libraries. The movement, known as the Antigonish movement, greatly changed the social and economic life of the community, and the idea spread to other parts of the world.

The field of continuing education has changed considerably since the Corporation entered it in 1918. At that time the phrase "adult education" generally connoted an attempt to minimize the disabilities of the underprivileged: immigrants struggling to learn a difficult tongue in

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the night schools of the great cities; middle-aged laborers trying to acquire the schooling they had missed. Serving the underprivileged is still one of the great tasks of continuing education, but it is no longer the dominant task. Today no one, regardless of his economic or intellectual status, is exempt from the necessity to continue his education on his own initiative. The complexity of modern life, the rapidity of social and technological change, the emphasis on trained talent, and the grave requirement for an informed citizenry have all contributed to a wholly new emphasis on continued learning.

Individual Potentialities

In 1883 when the young American psychologist James McKeen Cattell arrived at Wilhelm Wundt's laboratory in Leipzig, he announced that he intended to do research on individual differences in behavior. Wundt described the problem as *ganz Amerikanisch*—wholly American.

It is true that an interest in individual differences has been an abiding American characteristic. It stems from our concern for the individual and our preoccupation with the development of his potentialities.

This preoccupation showed up fairly early in the history of the Corporation. The study of individual differences, the identification of talent, and the measurement of performance have received attention from the Corporation since 1920. For many years the Corporation supported the work of E. L. Thorndike and others in this area.

Perhaps the most important venture supported by the Corporation in this field was the research program known throughout the educational world as "The Pennsylvania Study." The study, which had wide reverberations not only in this country but abroad, was launched by The Carnegie Foundation for the Advancement of Teaching in 1928, and was supported largely by Corporation funds.

The results, which were based on comprehensive testing of students in all Pennsylvania high schools, colleges, and universities over several years, revealed a number of things that were not then known—and are not widely recognized even today. It turned out that seniors in some *high schools* had already learned more than sophomores in some

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colleges; that mere standing as a sophomore or senior meant very little unless one knew the institution at which the individual was a sophomore or senior; that college students pursuing certain majors (notably and unfortunately *education*) were substantially less well prepared than students pursuing other majors; and that merely having “taken” certain courses did not mean that a student had learned anything.

When the study began, 90 per cent of American colleges and universities used as the sole criterion for admission the student’s high school record (plus in many cases the parents’ ability to pay tuition). No independent efforts were made to measure aptitude or achievement. The results of “The Pennsylvania Study” led to substantial alterations in the procedures for the identification of aptitude and the appraisal of achievement.

Between 1937 and 1948 the Corporation provided The Carnegie Foundation for the Advancement of Teaching with a series of grants for the development of the Graduate Record Examination. This examination is designed to test the breadth, depth, and accuracy of what a student has learned in a variety of fields, regardless of where the student acquired the knowledge—in his academic courses, at home, in outside activities, or while working at some job. This test, combined with the student’s undergraduate record, has proved to be an excellent basis for predicting the student’s success in advanced study.

In 1948 the Corporation provided funds to assist in establishing the Educational Testing Service. The College Entrance Examination Board, the Cooperative Test Service of the American Council on Education, and the Graduate Record Office of The Carnegie Foundation for the Advancement of Teaching all transferred their programs of aptitude and achievement testing to the newly established organization.

Limitations of Opportunity

Unfortunately better means of identifying talent and measures designed to strengthen the educational system are not in themselves enough to insure the development of individual potentialities. Deeply

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rooted social and economic factors place severe limitations on individual opportunity among some segments of the populace. Negroes constitute one such segment. Women constitute another. All socially and economically disadvantaged youth of whatever race or sex belong in this category.

In recent years the Corporation has supported a number of programs aimed at identifying and nurturing talent wherever it may be found; in one sense, of course, the entire testing movement can be seen as an effort in this direction. Very recently Carnegie Corporation has supported a few experiments designed to increase the motivation and opportunities of disadvantaged youth. It is also sponsoring several programs under which talented women may be identified and encouraged to continue their education during or after the years when their children are young.

Perhaps the most important work the Corporation has done with a disadvantaged group has been with the Negro. Mr. Carnegie was deeply interested in Negro education, and as an individual made large contributions to Negro colleges. The Corporation continued this tradition by making substantial contributions to a number of institutions and programs, including the United Negro College Fund.

In the late 1930's the Corporation undertook a major study of the American Negro which resulted in the publication of *An American Dilemma* by Gunnar Myrdal. In order to find a study director who



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stood apart from the swirling currents of emotion and controversy which surrounded the Negro problem in this country, the Corporation decided to select a man from outside the United States. The search was concentrated in those countries that possessed high intellectual and scholarly standards and no background of racial conflict or imperialism. Gunnar Myrdal, the man finally chosen, was a distinguished Swedish social economist, professor at the University of Stockholm, and member of the Swedish Senate.

The study took six years to complete and involved a staff of approximately 150 people. It was first published in 1944 and has gone through many printings. It has been compared in stature and insight to the works of two other foreign observers of American democracy, Bryce and de Tocqueville. The book dealt with the economic, social, and psychological aspects of the Negro's role in the United States, and consequently it revealed a great deal about these aspects of American life in general. The book amply demonstrated with facts and figures the deplorable situation of the Negro in America, pointing up a situation inconsistent with American tradition and stated beliefs.

Creativity

A highly gifted writer who earns his living as a college professor was speaking of the great benefits he had derived from a foundation grant of \$5,000. A friend asked facetiously what he bought with that handsome sum. "What did I buy with it?" the writer asked. "I bought time. In my work I don't need a cyclotron or research assistants or a trip to Indonesia. All I need is time."

The needs of creative men and women are not always so modest. But whatever it is that they need—time, equipment, travel, or collaborators—the modern foundation is apt to spend a good deal of its time figuring out how to help them get it.

If one thinks of all intellectual, emotional, and spiritual growth as part of the creative process, then all institutions are or should be engaged in nurturing that process. And the Corporation does, in fact, regard almost all that it does as, in one way or another, contributing to the nurturing of creativity. But in this section we shall deal with

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various matters more specifically identified in the public mind with the creative process.

There is one kind of grant that always has had—and always should have—an honored place in enlightened philanthropic programs: the grant to the unusually gifted individual to enable him to study, travel, or accomplish some creative work of his own choosing. Many thousands of individuals have received Carnegie funds for such purposes.

Most grants for individual travel and research are made to other institutions which in turn select the individuals to be aided. The Social Science Research Council, for example, has received funds for various kinds of fellowship aid; the American Council of Learned Societies has administered, and still administers, Carnegie-supported fellowships in the humanities; the Carnegie Institution of Washington administers a program of fellowships in the natural sciences.

But such a bare-bones description of fellowship programs squeezes all the life out of one of the genuinely fruitful aspects of foundation work. To do it justice we would have to provide case histories of the thousands of gifted and imaginative individuals who have been helped, through timely receipt of funds, to make their contribution to science or art or scholarship. We could list the names of individuals who have gone on from such grants to achieve greatness in their particular fields. We could list the impressive achievements that sometimes follow such grants. But such boasting would imply that we know more than anyone *can* now know about the ways in which creative individuals are encouraged to achieve what is in them. The best we can say is that the Corporation has always tried to be responsive to the plans and projects of gifted and creative individuals, and it has tried in a great variety of ways to help them do what they had to do.

Carnegie Corporation has also been interested in developing appreciation of creativity. By 1921 the Corporation was actively concerned with the fine arts, and became the first American foundation to launch a concerted program in the field. Although it is not a major field of Carnegie activity now, almost \$6 million was spent on the fine arts program between 1921 and 1937.

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Since the arts are inextricably woven into all phases of human activity, no list of grants could tell the whole story. The major purpose of the arts program was to further the recognition that the arts have an essential place in normal human life, and thus most of the Corporation's grants were aimed at enhancing this cultural interest rather than promoting the careers of professional artists.

Large sums of money were spent to develop courses in art history and appreciation at American colleges and universities. Many grants were made to further the education of college art teachers and museum personnel.

One major portion of the program was the development of art teaching sets, which were widely distributed to colleges, libraries, museums, and secondary schools in this country and in parts of the Commonwealth. Collections of records and other materials for music appreciation were also provided.

For a good many years the Corporation was active in the museum field. Special emphasis was placed upon the development of educational programs for school children and for the general public. One small but highly successful grant was made in the mid-1920's for a study of the behavior of museum visitors. Up to that point museums had been little more than storehouses for art treasures, and little thought had been given to attracting or pleasing the museum visitor. Coming at a time when the museums were beginning to re-examine their role, the study proved to be extraordinarily influential in the museum world.



Strengthening the Educational System

The five-year-old daughter of a professor, puzzled by repeated references to “education,” finally asked her father, “What is education?” While he was groping for an answer, her older sister said with great self-assurance, “Education is what you get in school!”

That is not the worst of answers. Carnegie Corporation, however, with its early interest in libraries and museums and its continuing interest in adult education, is committed to a much broader definition—to the idea that education is a responsibility of many institutions outside the school system. But no matter how broad one’s definition, one must sooner or later focus attention on the formal educational system.

Our schools and colleges are surely among the two or three most important features of our national scene. Everything about the formal educational system in this country is monumental—its size, its cost, and the proportion of our national energies which go into it. And it is a monument in a more literal sense: beyond any other aspect of our national life it is a visible expression of something that Americans care deeply about.

Whether it is a monument of which we can be proud is hotly debated in some quarters today. But that is not a question that occupies much of the time of sensible men. Rather than seeking to pass judgment on the total enterprise, the Corporation has consistently asked the more relevant questions: What are the strengths that can be built on? What are the weaknesses that must be corrected?

Graduate and Professional Education

When the Corporation came into being in 1911, the Carnegie name was already vividly identified with an interest in professional education, thanks chiefly to the epoch-making study of American medical

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schools that Abraham Flexner had done for The Carnegie Foundation for the Advancement of Teaching. In the years between 1913 and 1927, Carnegie Corporation put approximately \$15 million into medical education. Its contributions, however, were modest compared with those of other organizations, particularly The Rockefeller Foundation.

Another historical tie to the field of professional education existed in the field of engineering. Mr. Carnegie not only founded the Carnegie Institute of Technology, but continued an active interest in the field throughout his life. The Corporation has made gifts totaling \$25 million to the Carnegie Institute of Technology.

Mr. Flexner's study of medical education demonstrated that one of the most useful things a foundation can do is to finance critical appraisals of various educational fields. The Corporation has supported a great many such surveys in architecture, dentistry, engineering, forestry, library work, nursing, and social work. In the late 1950's Carnegie Corporation and The Ford Foundation sponsored studies of business education which have already had a far-reaching effect on that field. More recently, the Corporation supported a large-scale study of graduate education in the United States.

Although the Corporation frequently provides funds for various instructional activities at the graduate level, its main dealings with graduate schools are in research. Virtually every objective the Corporation has pursued over the years has involved research of one sort or another, and most of this work is carried on in graduate and professional schools.

One important landmark in the history of the Corporation's support of research was the substantial effort immediately after World War II to strengthen research in the social sciences. Extraordinary developments in the physical sciences had accentuated the lack of progress in the social sciences. Yet everyone recognized that a high proportion of the problems facing mankind fell within the sphere of the social rather than the physical sciences. Through a series of grants the Corporation sought to contribute to a correcting of this imbalance by encouraging more and better basic research, by strengthening graduate training, and by establishing a variety of fellowship programs.

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In the Commonwealth the Corporation made significant contributions to research, beginning in 1928. With its aid, several educational and social research councils have been established in Canada, South Africa, Australia, and New Zealand.

Colleges and Universities

Some foundations devote the bulk of their income to hospitals and clinics, some are concerned chiefly with research laboratories, some with religious institutions, some with charitable organizations. Most Carnegie dollars find their way into colleges and universities.

The Corporation's relationship to colleges and universities has a long history. Andrew Carnegie was deeply interested in these institutions, and his personal gifts to them were extensive. As a trustee of Cornell University, as rector of the University of St. Andrews in Scotland, and as founder of the Carnegie Institute of Technology, he had direct experience with the world of higher education. The establishment of The Carnegie Foundation for the Advancement of Teaching in 1905 forged an even more powerful bond between the Carnegie name and the college and university world.

Over the years, as colleges and universities have increasingly become the major recipients of Corporation grants, this tie has grown stronger. Thus, when it became apparent immediately after World War II that these institutions were facing unprecedented problems as well as opportunities, it was natural for the Corporation to take an active interest in the crisis.

A cynical educator said recently, "Higher education now has a new crisis every year. While someone is telling me about this year's crisis, I'm trying to remember what we did about last year's."

So it has seemed to many observers, particularly those whose observing has been fitful and shallow. Actually, there have not been yearly crises; there has been, since World War II, one long period of readjustment to drastically altered conditions.

First of all, enrollments rose with extraordinary rapidity, and most of the problems facing higher education resulted from this flood of students. Where were we to find teachers to teach them? Buildings to house them? Dollars to pay for it all?

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At the same time that this was happening, world conditions and the nature of our highly organized technological society created shortages in almost every category of trained talent. The colleges and universities were placed under severe pressures to produce that talent in greater supply.

Finally, as our whole educational system came under intense scrutiny, both by the public and by the academic world itself, it became apparent that only an unrelenting effort to maintain standards in every part of the system would save us from galloping mediocrity.

Under these pressures the character of American higher education as a whole was changing; new patterns of education were coming into existence, and old ones were being altered. And it was difficult for those involved to know what was happening, because our higher educational system had never been the subject of systematic study. The professors had studied the distant stars and the marital customs of the Navahos but they had never taken a systematic look at the segment of American life in which they earned their livelihood.

The problem was serious, because many of the great decisions facing leaders of American higher education could not be made without adequate information. With this in mind, the Corporation undertook to support a series of large-scale research efforts designed to provide the base of understanding on which decisions could be made as to the future of American higher education.

An example may be found in the study of the junior college that the Corporation supported. The emergence of the junior college is possibly the most important development in American higher education in the past quarter century. Whether or not one agrees with this judgment, one must agree that the junior college poses issues of profound importance with respect to the future patterns of higher education. Yet there existed no recent definitive study of the junior college and its present role in higher education. The results of the Corporation-supported study to help answer this need are presented by Leland L. Medsker in his book *The Junior College: Progress and Prospect*.

In addition to supporting a good many similar studies of other critical problems facing higher education, the Corporation has pro-

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vided support for several major research centers on higher education in various parts of the country.

The problems created by the dramatic change and growth made clear the need for efficient management of the colleges and universities. Thus, the Corporation has made a number of grants aimed at improving the administration of higher education.

For many, many years the growing specialization and vocationalization of American education has posed a clear threat to the survival of liberal education. The increased requirements for specialized talent following World War II intensified the problem. Beginning in the late 1940's Carnegie Corporation sought to help counter the trend with grants to colleges and universities that were prepared to strengthen the liberal education component of their curriculum. The task was essentially one of revising curricular requirements and



courses for the freshman and sophomore years to introduce undergraduates to all of the great areas of human knowledge.

The Corporation also did much to encourage the establishment of honors programs for highly talented and motivated students. With the intensified demand for trained talent, the schools and colleges could no longer afford to content themselves with patterns of education designed for the average student—patterns which allowed gifted students to loaf, lose interest, or turn their minds to other things.

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Although the idea of honors programs is by no means new, it has experienced an extraordinary renaissance in the past five years. Today virtually all of the better institutions have such programs.

Teachers' Insurance

A very different field of activity, which is, nevertheless, closely related to the strengthening of education, is that of pensions for college teachers. In 1890, when Andrew Carnegie joined the board of trustees of Cornell University, he was shocked to discover the low salary scales prevailing at the time. No professor could hope to save for his old age—yet no provision was made for it. In 1905, when only eight colleges in the United States had pension systems, Mr. Carnegie established The Carnegie Foundation for the Advancement of Teaching, principally to provide free pensions for college teachers in the United States and Canada.

The Foundation, as one of the pioneers in the pension field, had many hard lessons to learn in the establishment of an effective pension system. The lessons it learned, however, have been applied in many of the pension plans now operating in this country and abroad.

Quite early it became obvious that the \$15 million with which the Foundation had been endowed would be entirely inadequate to provide free pensions for all the college teachers in the country. This recognition led to the establishment in 1918 of the Teachers Insurance and Annuity Association (TIAA) with funds from the Foundation and Carnegie Corporation. The TIAA was set up as a non-profit, legal-reserve life insurance company specifically designed to serve the college world with retirement allowances and other forms of insurance. The TIAA and its companion organization, the College Retirement Equities Fund, now have more than \$1 billion in assets and 120,000 policyholders in 1,100 member institutions. To enable the Foundation to meet its remaining obligations and to help establish TIAA, the Corporation has contributed almost \$29 million to the two organizations.

Another activity related to pensions was the work undertaken during the late 1920's and early 1930's by the Committee on Costs of

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Medical Care. This group, supported by Carnegie and other foundations, surveyed and discussed the economic aspects of medical services, and from its work came the ideas for the medical insurance plans that are widespread today.

Primary and Secondary Education

The Corporation's concern for primary and secondary education is, for the most part, a recent development, and a logical one. A broad concern for the functioning of colleges and universities forces one sooner or later to give thought to earlier levels of the educational system, for the colleges and universities are dependent on the work of the secondary schools, as the latter are dependent on the primary schools.

Carnegie Corporation became active in the field in 1947 when a group of eminent Americans formed a citizens' commission for the public schools, later known as the National Citizens' Council for Better Schools. A series of substantial grants were made in support of the Council's work. Long before the public clamor over the schools which followed the appearance of the U.S.S.R.'s sputnik, this group of farsighted citizens was bending every effort to strengthen and improve American education. As planned, the Council terminated its activities in 1959 when local, state, and regional committees had been organized to carry on its purposes.

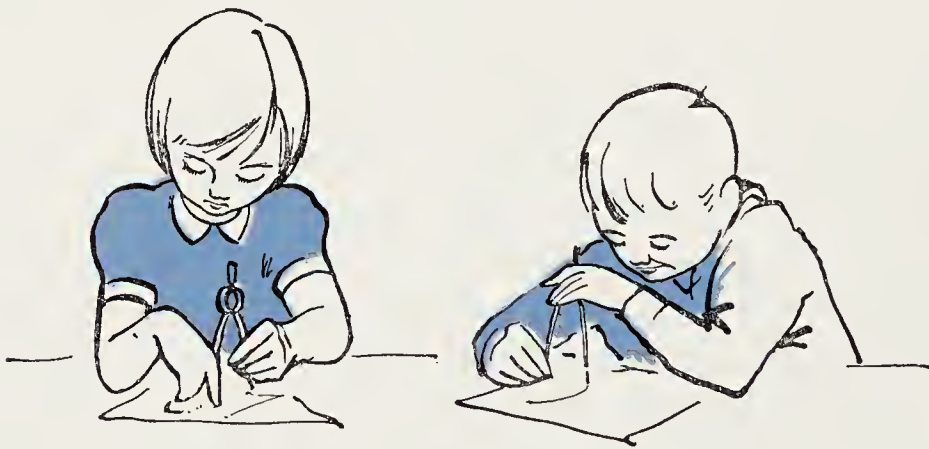
Other ventures into secondary education followed: studies and projects in the teaching of reading and foreign languages; programs for gifted students, a continuing interest dating back to 1923 and recently including contributions to the National Merit Scholarship program, to which The Ford Foundation was the major contributor.

In the early 1950's a number of energetic men in the field of mathematics began to press for a thorough overhaul of the teaching of high school mathematics. The Corporation responded in 1956 with support for two major efforts to develop a new curriculum: one by a group at the University of Illinois and the other by the Commission on Mathematics of the College Entrance Examination Board. Later grants extended the reform to the primary grades. Other grants to the

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American Association for the Advancement of Science have supported a nationwide program to improve the teaching of the sciences in secondary schools.

Perhaps the Corporation's best-known venture in the field of secondary education has been its support of the work of James B. Conant. After a distinguished career as teacher, scientist, university president, and statesman, Mr. Conant decided that he would like to undertake a major study of the American high school, and the Corporation supported him in this effort. He initiated the study in 1957 immediately after his retirement as United States Ambassador to Germany. With the publication of his first report, *The American High School Today*, in 1959, Mr. Conant became overnight the most quoted authority on American education. The "Conant Report" was debated in PTA's, school boards, superintendents' offices, and educational conferences throughout the nation. Later Mr. Conant published recommendations on the junior high school, and more recently the much discussed *Slums and Suburbs*. He is now engaged in a study of the education of teachers, also under Carnegie auspices.



Education for Meeting International Responsibilities

Like so many other enduring interests of the Corporation, the field of international affairs was dear to the heart of Andrew Carnegie himself. The Peace Palace at The Hague, the International Court of Justice in Costa Rica, the Pan American building in Washington, and the foundation, the Carnegie Endowment for International Peace, stand as monuments to this lifelong interest.

Since the Corporation is an educational foundation, its efforts in the international field have been primarily concerned with education. These efforts have been made over a long period of time, have involved many millions of dollars, and have been extremely varied. Despite the variety, however, there have been three main thrusts, in directions where it seemed likely that an educational foundation could play a useful role. These might be summed up as research, manpower, and communication.

Research

Today every sensible person recognizes that it is not enough to preach international harmony in the hope of converting everyone to the party of good will. Much of international relations depends upon a finely tuned understanding of the political, economic, and social forces that shape events. Some of our gravest problems are unsolved, not because of ill will on anyone's part, but simply because we do not know enough. In short, there is need for research on international problems, and Carnegie Corporation has sought to meet that need.

The Second World War forcefully brought home how little the

United States knew about important areas of the world. Yet our position at the end of that war made a continuation of our relative ignorance unthinkable.

There was not merely a shortage of scholars with expert knowledge of various areas. There were few concentrated efforts to look at countries or areas *in toto*. There might, for example, be scattered among various universities—or even in the same university—a geographer who had specialized on India, a linguist who was an expert on Indian languages, an economist with special knowledge of India's trade problems, and so on. But they were generally isolated from one another, and there were few places where they could work together on areas of mutual concern.



Shortly after the war, the Corporation began to make grants to strategically placed universities for area study centers. The important feature of these centers was that they brought the knowledge and work of many different kinds of scholars—economists, political scientists, linguists, anthropologists, sociologists, and others—to bear on a country or region.

In the late 1940's, for example, the only major university center concerned with the U.S.S.R. was Columbia University's Russian Institute, and it was concerned primarily with graduate education

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rather than research. Although the Soviet Union was—then as now—our greatest source of concern on the international scene, a careful survey revealed that there was no research center in the country that was carrying on extensive, long-term research on the Soviet Union. As a nation we knew very little about the U.S.S.R., and we were not trying very hard to find out more. Discussions with policy makers in Washington made it clear that research in depth on the Soviet Union would be heartily welcomed, and could not possibly be undertaken in the normal course of government activities.

As a result of these preliminary explorations, the Corporation provided funds in 1948 for the establishment of the Russian Research Center at Harvard University. The Center not only emerged in a relatively short period as a major source of scholarly activities relating to the Soviet Union and other communist nations, but stimulated much research activity elsewhere.

Carnegie Corporation grants were also given to other university centers for training and research programs on Japan, Latin America, the Pacific areas, the Near East, Scandinavia, India, Southeast Asia, Europe, Inner Asia, Africa, Canada, and Eastern Europe. In 1955 a Commonwealth-Studies Center was started at Duke University, furthering the Corporation's particular interest in the Commonwealth.

Streams of scholarly works have poured forth from many of these centers, filling a reservoir of knowledge for attentive readers in the upper reaches of the government as well as for scholars and students. Equally important, the centers' mere existence has served to attract a large number of talented young graduate students to area studies. Many of the grants to the centers provided funds for fellowships and training as well as research. The Social Science Research Council also received support from the Corporation to launch the first program of area study fellowships.

A special interest of the Corporation in recent years has been research into the dynamics of modernization in the developing nations. That unwieldy phrase tends to obscure what is one of the most dramatic developments of this dramatic century: the compelling drive of almost three-quarters of the world's population to achieve a modern economic, social, and political structure in their own countries. Un-

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fortunately the drive to accomplish this transition is one thing and the capacity to carry it through successfully is something else again. Despite a good deal of attention to this subject in recent years, our experts are still relatively ignorant of the processes by which an economically underdeveloped, traditional society moves into the modern world. To understand the many problems involved will require intensive research in a good many different fields.

The Corporation's principal contributions in this area have been to research on educational and political development. It has supported a number of studies of the role of education and high-level manpower in the modernization process. Other studies have been concerned with the politics of transitional societies and with the emergence of leadership in the developing nations.

Many of the Corporation's activities in modernization are a natural outgrowth of its special interest in the Commonwealth. In recent years this interest has centered increasingly on the continent of Africa. It supported, for example, the 1960 study of post-secondary educational needs in Nigeria conducted by a commission headed by Sir Eric Ashby.

Much other research cannot be so neatly categorized under either area studies or the modernization process. Lord Hailey's monumental work on Africa south of the Sahara is an example, as are two works of W. W. Rostow—one on his theory of the stages of economic growth, the other on the United States in the world arena—which were assisted by Carnegie grants.

Fairly recently scholars in American universities have shown an interest in national military and security policy, and a number of Carnegie grants have gone to support their research.

Manpower

The conduct of our foreign affairs requires men and women of high ability adequately prepared for delicate and complex duties. How shall they be trained?

The vastly increased international responsibilities of the United States require a greatly expanded body of scholars to undertake

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fundamental research, to write the books needed in this field, and to teach in colleges and graduate schools. How is this need to be met?

Finally, in a day when the future of the nation often hangs on the government's foreign policy decisions, it is essential that these decisions be backed—and criticized—by an informed and responsible citizenry. A substantial fraction of the American people must be well informed on world affairs. How can this be accomplished?

All of these are questions to which the Corporation addressed itself in the late 1940's, and it has pursued them ever since.

Let us begin with the education of those individuals who will spend their lives in the field of international affairs. Some will pursue a life of action—as diplomats, technical experts, military officers, and representatives of this country's many private interests abroad. The number of United States citizens in such careers abroad has increased enormously in the past two decades; and a very high proportion of these "overseas Americans" are engaged in activities of critical importance for this nation. How well prepared are they to discharge their duties? Could they be better prepared? What are the lessons for our colleges and universities? To find the answers Harlan Cleveland, then at Syracuse University, and his associates traveled many thousands of miles, sought out Americans in the far places of the world, and produced a significant and widely discussed study, published in the book *The Overseas Americans*, by Harlan Cleveland, Gerard J. Mangone, and John C. Adams. As a result of the study, Syracuse,



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with Carnegie support, established a program for training young Americans for overseas service.

But not all specialists in international affairs choose "action" careers. Some spend their lives in the universities teaching, writing, and doing research. And more and more individuals move back and forth from one career to the other. A number of our former ambassadors now hold university posts, and there are former professors in major ambassadorial posts. Though the training requirements for the two careers are very different, university programs at the graduate level may contribute to both career lines. The Corporation has con-



tributed support to a wide variety of graduate programs both in foreign area studies and in international relations.

The need for an informed citizenry leads to a concern for undergraduate education in international responsibilities—education not for specialists but for the whole broad range of young Americans who will in a few years fill the ranks of the professional and managerial fields. One of the most important of the Corporation's efforts at the undergraduate level has been to encourage fuller treatment of the non-Western world in the college curriculum. As recently as 1950 most American colleges acted as though the Western world were the

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whole world, as though Asia had never existed. There were books labelled "history of philosophy" that turned out to be the history of Western philosophy. Departments of history took it for granted that their only responsibility was to teach the history of the West. Students might learn some colorful facts about Japanese pearl divers and Burmese temples in fifth grade geography, but that often ended the broadening of their perspectives.

In the middle of the twentieth century this state of affairs was intolerable, and in the late 1940's there were moves to introduce adequate materials into the college curriculum, not only on Asia but on Africa and other less known areas of the world. Carnegie Corporation took an active role in this movement beginning in 1949 when it made a grant to Columbia University to develop teaching materials in Asian civilizations. This grant resulted not only in significant new courses but in the production of a distinguished series of books, which are now being widely used in other institutions. Following this initial grant, the Corporation assisted a number of other institutions to develop similar teaching programs.

At the undergraduate level, the Corporation has also sought to encourage and strengthen the teaching of foreign languages, to support programs for undergraduate study overseas, and to strengthen the teaching of international relations.

Communication

Foreign students are no longer a rarity on the American college campus. Objects of curiosity two decades ago, they are accepted as commonplace now, no matter how exotic their language, appearance, or background. Today more than 50,000 foreign students annually attend colleges and universities in this country, and some 15,000 Americans study abroad.

This was not the case when the Institute of International Education was established in 1919 with the help of a Carnegie Corporation grant to the Carnegie Endowment for International Peace. In the years since then the Institute has played a critically important role in the international exchange of persons. The Corporation has made grants to the Institute for general support as well as for specific activities.

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The Corporation has had another opportunity for long-continued activity in the field of international exchange through its Commonwealth Program. In 35 years this program has enabled approximately 900 outstanding scholars and administrators from the Commonwealth to travel in the United States, Canada, and other areas. It has, particularly since World War II, included a large proportion of the senior faculties of many Commonwealth colleges and universities.

In the case of these programs of international exchange, as in the fellowship programs described earlier, a few descriptive sentences cannot possibly bring to life the vivid human experiences made pos-



sible through foundation funds. The fruits of such programs are highly individual—in terms of personal growth, broadened perspectives, subtle changes in attitude, and the beginning of lifelong friendships.

In the mid-1950's, when the Kremlin liberalized its visa restrictions, making it possible for Americans to visit the Soviet Union, the Corporation financed the trips of several hundred American scholars to the U.S.S.R. Many of these were men who had spent most of their adult years in serious study of Russia without ever having been able to go there; a few others had been there many years before, and were

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able to make interesting comparisons of the changes that had taken place over the years.

There are many other ways to encourage cultural interchange across national boundaries, and the Corporation has tried most of them. The scholarly and scientific world has a strong tradition of international conferences; and though the Corporation has a healthy skepticism concerning the effectiveness of many of these conferences, it recognizes the value of others. A recent series of grants was designed to improve the caliber of United States representation at such international meetings.

An interesting experiment in communication across national boundaries was begun several years ago when the Council for Higher Education in the American Republics was initiated with Carnegie Corporation funds. This was the first formal organization designed to further cooperation between North American and Latin American leaders in the field of higher education. The Council arranges visits among Canadian, United States, and Latin American educators, holds periodic meetings, and is now engaged in research on problems common to the colleges and universities throughout the Americas.

The Corporation has also sought to improve communication among educators and educational institutions in the United States and Africa.

For many years various organizations that are dedicated to increasing public understanding of foreign affairs have received Corporation grants: the Council on Foreign Relations, for research, fellowships, and regional leaders' discussion groups; the American Assembly, for meetings on the United States and Africa and on the representation of the United States abroad; the Foreign Policy Association; several of the World Affairs Councils scattered about the country; and the Carnegie Endowment for International Peace, for both research and public education activities.

Change and Continuity

A review of the first half century of the Corporation leads one to reflect upon its similarity to all other human institutions. Like them, it is marked by the personalities of strong individuals: their idiosyncrasies, bents, values, preferences, tastes, ideas. It is influenced by events such as world-wide depression and world-wide wars, not to mention other less dramatic happenings. Chance, too, plays its part, in the unexpected proposal that comes through the mail, the man who walks in off the street with an idea.

One is struck anew by that paradox of all human history and human life: change and continuity. It is sometimes a little startling, and more than a little humbling, to realize that most of the old problems are still with us, and that many of the bright new ideas for attacking them today were bright new ideas 50 years ago. It is also startling, although more pleasurably so, to discover that some of the ideas and institutions we take for granted today actually came into being quite recently: pensions for teachers, for example.

In his letter of gift to the original trustees in 1911 Mr. Carnegie, using the simplified spelling that he favored, wrote: "Conditions upon the earth inevitably change; hence, no wise man will bind Trustees forever to certain paths, causes or institutions. I disclaim any intention of doing so. On the contrary, I give my trustees full authority to change policy or causes hitherto aided, from time to time, when this, in their opinion, has become necessary or desirable. They shall best conform to my wishes by using their own judgment."

Succeeding generations of trustees have respected Mr. Carnegie's wish that they use their own judgment. As he predicted, the conditions of today are not the conditions of 1911; and the Corporation has changed with the times. It is concerned not merely with the conditions of today but with the possibilities of tomorrow, insofar as living men can envisage those possibilities.

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From the Corporation's Journal

On January 1, 1961, a personal chapter in the Corporation's history came to an end with the retirement from the board of Elihu Root, Jr. In 1911, as a young lawyer, Mr. Root, in consultation with Mr. Carnegie, drafted the original charter of the Corporation. In 1916 he was appointed Counsel to the Corporation, and served in this capacity until 1937 when he was elected a trustee to fill the unexpired term of his father who had been one of the incorporating members. He was a member of the executive committee from 1939 to 1961, serving as chairman from 1942 to 1955, and a member of the finance committee from 1944 to 1961. Through all the years he was a wise counselor, an astringent critic, and a steadfast friend of the enterprise that he had helped bring into being. On its 50th anniversary year, the Corporation salutes him.

At the annual meeting on November 15, 1960, Charles A. Thomas was re-elected to the board for a five-year term and Nicholas Kelley was re-elected to serve until his retirement on January 1, 1962. Morris Hadley, chairman of the board, was re-elected to this office.

At the meeting of the board on January 19, 1961, Fredrick M. Eaton of New York City was elected to be a trustee for a term ending at the close of the annual meeting of 1964. Mr. Eaton is a partner in the law firm of Shearman & Sterling. He is a graduate of Harvard University and Harvard Law School. Mr. Eaton has served the government in various capacities including general counsel to the War Production Board in 1945 and recently as chairman of the United

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States delegation to the Ten-Nation Committee on Disarmament in Geneva.

The executive committee during the year consisted of Frederick Sheffield, chairman; John W. Gardner, Morris Hadley, Caryl P. Haskins, Devereux C. Josephs, Nicholas Kelley, Frederick Osborn, and Elihu Root, Jr., until his retirement.

The finance committee consisted of: Mr. Josephs, chairman; Mr. Gardner, Mr. Hadley, Mr. Kelley, Malcolm A. MacIntyre, and Mr. Root, until his retirement.

The board of trustees held meetings on November 15, 1960; and January 19, March 16, and May 18, 1961.

The executive committee met on October 11 and December 20, 1960; and April 18, June 22, and September 20, 1961.

The finance committee held meetings on December 7, 1960; and March 9, June 8, and September 7, 1961.

The Secretary's Report

During the year ended September 30, 1961, the trustees appropriated \$10,593,425. This figure includes \$525,000 for the program in the British Commonwealth. The Corporation made 54 grants to colleges and universities and 40 grants to other organizations. In addition, four appropriations were made for travel grants and other programs administered by the officers of the Corporation.

As usual, requests outnumbered grants made by about 10 to 1. Of the requests which were declined, many were for library buildings, individual scholarships and grants-in-aid, publication subsidies, general support of educational institutions, and other kinds of assistance which the Corporation, as a matter of established policy, does not provide. A considerable number of the requests, however, were for carefully planned projects of real merit which might have received support had the competition been less severe.

The list of recipients of grants beginning on page 57 includes institutions and organizations to which funds were appropriated during 1960-61, with amounts shown between the blue lines in the first column. Also shown are recipients of grants voted in prior years on which payments were scheduled in 1960-61 or future years.

Although Carnegie Corporation does not put a rigid time limit on the use of its grants, any balance remaining after a project has been completed is normally returned to the Corporation. These refunds are added to the income available for appropriation during the year in which they are received, and listed as "Adjustments of Appropriations" on pages 54 and 56.

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Since many grants are expendable over a period of years, there are about 300 Carnegie-supported programs or projects in operation at all times. The secretary's office is responsible for securing annual progress reports and financial statements on all of these grants.

The Corporation does not itself publish the findings of any studies which it has supported, but about 30 books and a number of pamphlets appeared during 1960-61 under the imprint of commercial and educational presses reporting results of projects financed wholly or in part by Corporation grants.

In 1959, McGraw-Hill Book Company launched the "Carnegie Series in American Education" as part of its regular publishing program. The books in this series have all been based on studies financed by the Corporation. Two were issued during the year under review:

Governance of Colleges and Universities, by John J. Corson.

Graduate Education in the United States, by Bernard Berelson.

Carnegie-supported studies in higher education resulted in a variety of other publications. From the Institute of Higher Education at Teachers College, Columbia University, have come a series of monographs, published by the Bureau of Publications, Teachers College, including the following:

The Evolving Liberal Arts Curriculum: A Historical Review of Basic Themes, by Willis Rudy.

Liberal Education and Engineering, by Edwin J. Holstein and Earl J. McGrath.

Liberal Education and Pharmacy, by James Newcomer, Kevin P. Bunnell, and Earl J. McGrath.

The Harvard Graduate School of Education produced:

The Torch Lighters: Tomorrow's Teachers of Reading, by Mary C. Austin *et al.*, Harvard University Press.

Two publications are concerned with education below the college level:

The American High School and the Talented Student, by Frank O. Copley, University of Michigan Press.

The Detailed Record

A Memorandum to School Boards: Recommendations for Education in the Junior High School Years, by James B. Conant, Educational Testing Service.

International affairs, another major area in which Corporation grants have been concentrated in recent years, is well represented in the books appearing this year. Duke University Press has published several studies emanating from the University's Commonwealth-Studies Center:

Tradition, Values, and Socio-Economic Development, edited by Ralph Braibanti and J. J. Spengler.

The Growth of Canadian Policies in External Affairs, by Hugh L. Keenleyside *et al.*

Canadian Economic Thought: The Political Economy of a Developing Nation 1814-1914, by Craufurd D. W. Goodwin.

And Harvard University Press has published the following products of the University's Russian Research Center:

The Soviet Industrialization Debate, 1924-1928, by Alexander Erlich.

Alexander Herzen and the Birth of Russian Socialism, 1812-1855, by Martin Malia.

Dilemmas of Progress in Tsarist Russia: Legal Marxism and Legal Populism, by Arthur P. Mendel.

The Third Section: Police and Society in Russia under Nicholas I, by Sidney Monas.

Another aspect of the Corporation's interest in international affairs has been the role of American universities in technical assistance and other overseas projects. Two books on this subject were published during the year:

Social Systems: Essays on Their Persistence and Change, by Charles P. Loomis, D. Van Nostrand Company, Inc.

Campus India: An Appraisal of American College Programs in India, by Henry C. Hart, Michigan State University Press.

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To encourage the study of non-Western civilization, the Corporation has made possible the publication of a number of books on the Orient, including:

Records of the Grand Historian of China, Vols. I and II, translated from the *Shih Chi* of Ssu-ma Ch'ien, by Burton Watson, Columbia University Press.

The Traditional Chinese State in Ming Times (1368-1644), by Charles O. Hucker, University of Arizona Press.

Some significant books are now appearing as a result of grants made a number of years ago and thus cannot be readily classified within the Corporation's current program. Among them are:

Myth and Mythmaking, edited by Henry A. Murray, George Braziller.

Postwar Economic Trends in the United States, edited by Ralph E. Freeman, Harper & Brothers.

People of Cove and Woodlot: Communities from the Viewpoint of Social Psychiatry, by Charles C. Hughes, Marc-Adélaré Tremblay, Robert N. Rapoport, and Alexander H. Leighton, Basic Books, Inc.

Among the publications resulting from grants for the British Commonwealth were:

Investment in Education: The Report of the Commission on Post-School Certificate and Higher Education in Nigeria, by Sir Eric Ashby *et al.*, Federal Ministry of Education, Nigeria.

An African Economy: A Study of the Economic Development of the Nyanza Province of Kenya, 1903-1953, by Hugh Fearn, Oxford University Press (for the East African Institute of Social Research).

Other books published during the year could equally well be listed as significant contributions to knowledge, but space limitations necessitate arbitrary choices.

Appropriations and Payments

During the Year Ended September 30, 1961

This schedule shows all payments made during the fiscal year 1960-61 from appropriations of that year and of preceding years. Amounts in the first column marked thus (*) are allocations from funds made available in previous years.

United States

<i>Recipient and/or Purpose</i>	<i>Appropriated or Allocated During 1960-61</i>	<i>Balance from Previous Appropriations</i>	<i>Paid During 1960-61</i>	<i>Unpaid Balance Carried Forward</i>
Alaska, University of Visiting professors (B2925)		\$70,000	\$35,000	\$35,000
American Academy of Arts and Sciences Conferences on social implications of science (B3039)	\$100,000		50,000	50,000
American Association for the Advancement of Science Program to improve teaching of science and mathematics in secondary schools (B2921) Study of college programs in mathematics and science for preparation of elementary school teachers (X2890)	100,000	83,333	83,333	40,000
American Association of Land-Grant Colleges and State Universities Centennial convocation on international responsibilities of land-grant institutions (X2864)	68,000		68,000	
American Council of Learned Societies General support and fellowships (B2834, B3038)	650,000	100,000	100,000	650,000
American Council on Education Conference on continuing education of women (X2900) Study of Council's aims and activities (X2860)	23,000 4,425		23,000 4,425	
American Institute of Physics Awards for teachers of physics (X2914)	67,000			67,000
American Library Association Preparation and publication of series of reading guides (X2863)	35,500		35,500	

Appropriations and Payments—United States

<i>Recipient and/or Purpose</i>	<i>Appropriated or Allocated During 1960-61</i>	<i>Balance from Previous Appropriations</i>	<i>Paid During 1960-61</i>	<i>Unpaid Balance Carried Forward</i>
American Society of International Law Support of expanded program (B3046)	\$40,000		\$40,000	
American Universities Field Staff Research on role of education in social development in Latin America (B3007)		\$57,500	57,500	
Arizona, University of Development of Oriental studies program (B3010)		66,500	34,000	\$32,500
Honors program at Guadalajara (Mexico) Summer School (B2985, B3034)	45,000*		17,000	28,000
Association of American Universities Travel of representatives to university meetings in United Kingdom (B3047)	24,000		24,000	
Bennett College Saturday school for high school students (X2898)	75,000		25,000	50,000
Boston College Development of honors program (B2892, X2754)		15,000	15,000	
Brookings Institution Support of Conference on the Public Service (X2774)		18,000	18,000	
Study of appointment of federal executives (X2816)		39,200	39,200	
Appraisal of methods of federal financial assistance to state and local governments (X2857)		43,220	43,220	
Preliminary phase of study of government by contract (X2860)	12,500		12,500	
Brooklyn College Teaching program on foreign areas (B2892, X2769)		15,000	15,000	
Brown University New courses for juniors and seniors (B3042)	88,000		15,000	73,000
Experimental summer program for junior high school students (B3043)	40,000		40,000	
California Institute of Technology Research and teaching in humanistic and social science fields (B2970)		220,000	110,000	110,000
California, University of Research on creativity (B2984)		25,000	25,000	
Research on higher education (B2817, B2871, B3017)	300,000	275,000	125,000	450,000
Research on reading ability (B2948)		45,000	45,000	
History of the Muslim world (B2892, X2799)		14,000	14,000	
Comparative study of leadership in certain countries of Middle Africa (B2978)		68,000	17,000	51,000

Appropriations and Payments—United States

<i>Recipient and/or Purpose</i>	<i>Appropriated or Allocated During 1960-61</i>	<i>Balance from Previous Appropriations</i>	<i>Paid During 1960-61</i>	<i>Unpaid Balance Carried Forward</i>
California, University of (<i>continued</i>)				
Study of leadership in the Federation of the West Indies (B2977)		\$88,000	\$45,000	\$43,000
Research and training on social, economic, and political development of transitional societies (B3028)	\$200,000		40,000	160,000
Research and graduate study on thought processes (X2886)	79,000		27,000	52,000
Research on creativity and self-teaching devices (X2887)	100,000		34,000	66,000
Carnegie Endowment for International Peace Visiting research scholars (X2880)	75,000		12,000	63,000
Carnegie Foundation for the Advancement of Teaching				
Study of relationships of federal government with higher education (B3003)		75,000	50,000	25,000
Carnegie Institute of Technology Research on thought processes (B3005)		140,000	35,000	105,000
Carnegie Institution of Washington Fellowships in natural sciences (B2822)		50,000	50,000	
Case Institute of Technology Study of scientific and engineering education in Latin America (X2860)	9,000* 3,000		12,000	
Center for Advanced Study in the Behavioral Sciences				
Fellowships and conferences (B3053)	200,000			200,000
Center for Programed Instruction Experiment in programing teaching materials on reading (X2860)	12,500*		12,500	
Support (B3031)	300,000		100,000	200,000
Center for the Study of Liberal Education for Adults				
Study of role of the university in adult education (X2873)	125,000		75,000	50,000
Chicago, University of				
Center for Study of American Foreign Policy (B2840)		28,500	28,500	
Study of executives in federal government (B2907)		27,000	27,000	
Training of university extension administrators (B2939)		75,000	25,000	50,000
Research and training program on new nations (B2976)		250,000	66,000	184,000
Support of program on non-western civilization (X2867)	63,000		17,000	46,000
Support of 1961 conference of the Graduate Library School (X2860)	1,500*		1,500	
Conference on research for development in Africa (X2860)	11,000*		11,000	

Appropriations and Payments—United States

<i>Recipient and/or Purpose</i>	<i>Appropriated or Allocated During 1960-61</i>	<i>Balance from Previous Appropriations</i>	<i>Paid During 1960-61</i>	<i>Unpaid Balance Carried Forward</i>
Church Peace Union Research on religion and the state in Asia (B2981)		\$30,000	\$15,000	\$15,000
City College, The (New York) Summer program to train college teachers (X2782)		30,000	10,000	20,000
Colgate University Support of "core" courses for juniors and seniors (B2892, X2843)		35,000	20,000	15,000
College Entrance Examination Board Research and experimentation in elementary mathematics teaching (X2826)		14,000	14,000	
Comparative study of university admissions throughout the world (B2980)		125,000	125,000	
Collegiate School To develop and test automated teaching materials for secondary schools (X2835)		59,000	59,000	
Colorado, University of Inter-University Committee on the Superior Student (X2842)		56,000	56,000	
Columbia University General education program in Asian civilizations (B2883)		76,000	38,000	38,000
Council for Atomic Age Studies (B2953)		42,000	42,000	
Study of factors associated with success after college (X2813)		45,500	45,500	
Study of international rules of judicial procedure (X2832)		225,000	225,000	
Study of reading research (B3006)		90,000	45,000	45,000
Inter-university program for undergraduate anthropological study abroad (B3024)	\$160,000		45,000	115,000
Oral History Research Office (X2901)	45,000		15,000	30,000
Teachers College Cooperative Afro-Anglo-American program in African education (B3012) (see also page 55)		150,000	75,000	75,000
Research on higher education (X2888)	120,000		50,000	70,000
Columbia University Press Publication of variorum commentary on poems of John Milton (X2556)		9,000		9,000
Committee on Institutional Cooperation Educational studies (B2940)		94,000	47,000	47,000
Community Studies, Inc. Study of undergraduate students at University of Kansas (B2998)		87,000	69,000	18,000
Cornell University Training and research on South America (B2961)		150,000	50,000	100,000

Appropriations and Payments—United States

<i>Recipient and/or Purpose</i>	<i>Appropriated or Allocated During 1960-61</i>	<i>Balance from Previous Appropriations</i>	<i>Paid During 1960-61</i>	<i>Unpaid Balance Carried Forward</i>
Council for Financial Aid to Education Support (B2884)		\$225,000	\$75,000	\$150,000
Council on Foreign Relations For research, regional committees, and fellowships (B2997)		400,000	100,000	300,000
Dartmouth College Development of automated teaching materials at Dartmouth Medical School (X2862)	\$50,000		50,000	
Denver Public Schools Experiment in helping parents to teach pre-school children to read (X2899)	61,900		61,900	
Duke University Commonwealth Studies Center (B2908)		190,000	70,000	120,000
Educational Testing Service Study of teacher education (B3026)	300,000		170,000	130,000
Research on evaluation of self-teaching devices (B3032)	100,000		50,000	50,000
Policy conference on reading instruction (X2860)	12,500		12,500	
Studies of American public education (X2902)	25,000		25,000	
Foreign Policy Association—World Affairs Center Conference on extra-curricular world affairs education (X2860)	3,500*		3,500	
Foundation Library Center Support (B2968)		250,000	250,000	
Hamden Hall Experiment in teaching children of pre- kindergarten age to read and write (B3021) (see also page 53)	133,300		43,600	89,700
Hartford Seminary Foundation Instruction in Kennedy School of Missions (B2824)		24,000	24,000	
Harvard University International studies (B2785)		200,000	100,000	100,000
Research on history of liberty in America (X2732)		80,000	40,000	40,000
Studies of higher education (X2743)		15,000	15,000	
Research on teaching machines (B2951)		25,000	25,000	
Fellowships for college teachers to study at law school (B2991)		100,000	50,000	50,000
Defense Policy Seminar (B2993)		50,000	25,000	25,000
Research in social theory (X2841)		20,000	10,000	10,000
Research on thought processes (B3004)		200,000	50,000	150,000
Inter-university scholarship program for African students (X2870)	45,000		45,000	

Appropriations and Payments—United States

<i>Recipient and/or Purpose</i>	<i>Appropriated or Allocated During 1960-61</i>	<i>Balance from Previous Appropriations</i>	<i>Paid During 1960-61</i>	<i>Unpaid Balance Carried Forward</i>
Harvard University (<i>continued</i>)				
Study of large-scale corporate organization in modern society (X2860)	\$12,500*		\$10,000	\$2,500
Study of administrative and curricular factors in teaching reading in elementary schools (B3033)	77,800		77,800	
Research on political development in transitional societies (B3045)	45,000		15,000	30,000
Research and development in programmed instruction (B3052)	300,000		100,000	200,000
Research on motivation (X2894)	54,000		27,000	27,000
Harvey Mudd College				
Evaluation and development of new curriculum (X2891)	75,000		75,000	
Haverford College				
Conference on honors work in liberal arts colleges (X2854)		\$26,500	26,500	
Hawaii, University of				
Visiting professors (B2924)		80,000	32,000	48,000
Hollins College				
Experiment in teaching foreign languages by means of teaching machines (B2892, X2828)		39,000	13,000	26,000
Illinois, University of				
Development of new high school mathematics curriculum (B2919)		81,700	81,700	
Development of new elementary school arithmetic curriculum (B2920)		175,800	73,250	102,550
Study of human motivation and its relation to behavior (X2860)	12,500		12,500	
Indiana University				
Inter-university program in Russian language learning (X2877)	96,000		25,500	70,500
Overseas language program for Indiana high schools (B3054)	200,000		76,000	124,000
Institute for College and University Administrators				
Research and training program in academic administration (B3002)		419,000	98,000	321,000
Study of process of self-criticism in universities (X2881)	47,000		47,000	
Institute of International Education				
Support of Council on Higher Education in American Republics (B3008)		133,333	66,667	66,666
International Schools Foundation				
Program in Japanese language and civilization at the American School in Japan (B3023)	49,000		18,000	31,000
Johns Hopkins University				
Support of research program of School of Advanced International Studies (B2992)		200,000	50,000	150,000

Appropriations and Payments—United States

<i>Recipient and/or Purpose</i>	<i>Appropriated or Allocated During 1960-61</i>	<i>Balance from Previous Appropriations</i>	<i>Paid During 1960-61</i>	<i>Unpaid Balance Carried Forward</i>
Kansas, University of Faculty exchange with University of Costa Rica (B2962)		\$40,000	\$20,000	\$20,000
Undergraduate program for gifted students (B2892, X2844)		30,000	15,000	15,000
Lawrence College, Program of Asian studies (B2892, X2786)		39,000	13,000	26,000
Library of Congress To establish an Africana Unit (B2973)		166,500	41,625	124,875
Louisville, University of Summer school scholarships for superior high school students (B2852)		16,000	16,000	
Massachusetts Institute of Technology Research on sub-Sahara Africa (B2928)		66,666	66,666	
International conference on scientific and engineering education (X2855)		25,000	25,000	
Research and training on politics of transitional societies (B3027)	\$475,000		95,000	380,000
Overseas study program in civil engineering (B2985, X2893)	11,500*		11,500	
Massachusetts, University of Intern-fellowships in state public service (X2821)		97,000	48,500	48,500
Preparation for publication of the letters of Edmund Burke (X2869)	34,000		34,000	
Mathematical Association of America To strengthen its program (X2772)		15,000	15,000	
McGill University Research on language learning (X2853)		45,000	15,000	30,000
Michigan State University Study of large-scale organizations (X2875)	133,000		70,000	63,000
Michigan, University of Center for Japanese Studies (B2842)		10,000	10,000	
Center for Study of Higher Education (B2872)		170,800	85,800	85,000
Undergraduate Asia course and related training and research (B2972)		83,500	42,000	41,500
Research on organizations (X2856)		38,000	38,000	
Research on political modernization of Japan (B3029)	200,000		40,000	160,000
Research on general systems (X2895)	75,000		25,000	50,000
Minnesota, University of Support of plan for continuing education of women (X2833)		76,000	38,000	38,000
Modern Language Association of America To strengthen its program (B2950)		20,000	10,000	10,000

Appropriations and Payments—United States

<i>Recipient and/or Purpose</i>	<i>Appropriated or Allocated During 1960-61</i>	<i>Balance from Previous Appropriations</i>	<i>Paid During 1960-61</i>	<i>Unpaid Balance Carried Forward</i>
Montana State College Experiment in training for overseas service (X2865)	\$78,000		\$39,000	\$39,000
National Bureau of Economic Research Study of economic costs and advantages of educational investment (B3041)	75,000		40,000	35,000
National Education Association Consultation service on education of academically talented secondary school students (X2889)	110,000		60,000	50,000
National Merit Scholarship Corporation Research on academically talented students (B3016)	250,000		50,000	200,000
National Opinion Research Center To plan a study of individual participation in educational activity (X2860)	4,500		4,500	
National Planning Association Support of Canadian-American Committee (B3057)	50,000		50,000	
New Lincoln School Support of Sciences and Arts Camps, Inc. (B3056)	120,000		45,000	75,000
New Mexico, University of Honors program (X2868)	75,000		30,000	45,000
North Carolina, University of Program for superior students (B2879)		\$40,000	20,000	20,000
Northwestern University Research and training in international relations (B2839)		25,000	25,000	
Development of new courses in world history (B2892, B2964)		48,000	20,000	28,000
Oberlin College Language programs in Austria, France, and Mexico (X2878)	90,000		45,000	45,000
Oklahoma, University of Experimental degree program for adults (X2874)	61,000		61,000	
Omaha, University of Scholarships in college business management (X2785)		38,000	12,000	26,000
Oregon, University of Development of Honors College (X2879)	97,500		23,500	74,000
Training and research in international studies and overseas administration (X2896)	150,000		50,000	100,000

Appropriations and Payments—United States

<i>Recipient and/or Purpose</i>	<i>Appropriated or Allocated During 1960-61</i>	<i>Balance from Previous Appropriations</i>	<i>Paid During 1960-61</i>	<i>Unpaid Balance Carried Forward</i>
Pennsylvania, University of South Asian studies (B2843)		\$10,000	\$10,000	
Population Council, The Center for African demographic studies (B3055)	\$120,000		40,000	\$80,000
Princeton University Research on learning in mathematics (X2766)		12,000	12,000	
Exploration of uses of simulation techniques (B2930, X2825)		35,350	35,350	
Council of Humanities (B2942)		100,000	50,000	50,000
Inter-university program of undergraduate study abroad in international relations (B2949, X2809)		50,000	25,000	25,000
Inter-university study of role of education and high-level manpower in modernization process (B2979)		130,000	65,000	65,000
Research on theory of games and economic behavior (X2837)		60,000	15,000	45,000
Research on internal warfare (X2838)		60,000	30,000	30,000
Inter-university summer work program in non-English speaking countries (B2985, B3048)	55,000*		15,000	40,000
Radcliffe College Study of economic assistance programs (X2765)		44,000	22,000	22,000
Fellowships in Radcliffe Institute for Independent Studies (B3018)	150,000		30,000	120,000
Reed College Faculty and student exchange with University College of North Staffordshire (B2828, X2729)		7,000	7,000	
Rensselaer Polytechnic Institute Revision of general studies program (B2720, B2828, X2680)		20,000	20,000	
Rhode Island School of Design Senior honors program in Italy (B2985, X2848)		40,000	25,000	15,000
Rochester, University of Non-western civilization program (B2892, X2787)		30,000	30,000	
Canadian studies program (B2994)		100,000	35,000	65,000
San Francisco State College Experimental program in international relations (X2866)	21,000		21,000	
Scripps College Experimental courses (B2720, X2679)		10,000	10,000	

Appropriations and Payments—United States

<i>Recipient and/or Purpose</i>	<i>Appropriated or Allocated During 1960-61</i>	<i>Balance from Previous Appropriations</i>	<i>Paid During 1960-61</i>	<i>Unpaid Balance Carried Forward</i>
Social Science Research Council				
Faculty research fellowships (B2690)		\$25,000	\$25,000	
Administrative expenses (B2923)		180,000	60,000	\$120,000
Faculty research grants (B2823)		50,000	50,000	
General fellowship and grant-in-aid program (B2941)		550,000	100,000	450,000
Program to advance research on Latin America (B2960)		65,000	65,000	
Travel expenses of scholars to international meetings (B3009)		120,000	60,000	60,000
Study of growth of democracy in transitional societies (B3044)	\$37,500		37,500	
Planning and evaluation of research on thought processes (X2884)	87,000		24,000	63,000
Grants-in-aid for research on national security policies (X2913)	42,500			42,500
Southern Regional Education Board				
Research and training in higher education (B2831)		90,000	90,000	
Stanford University				
Research on economic development of Africa (B2895)		120,000	40,000	80,000
Undergraduate honors program in quantitative methods in behavioral sciences (B2875)		43,000	21,500	21,500
Senior seminar courses (B2828, X2728)		60,000	20,000	40,000
Undergraduate study in Japan (B3022)	134,000		28,000	106,000
Research on the learning process (B3040)	250,000		50,000	200,000
Syracuse University				
Training for overseas service (B2926)		50,000	50,000	
Studies in financing of public primary and secondary education (X2822)		141,600	69,400	72,200
Texas, University of				
Research and graduate study on thought processes (X2885)	82,200		23,900	58,300
Tulane University				
Graduate fellowships in arts and sciences (B3011)		100,000	50,000	50,000
Vassar College				
International conference on education (X2797)		15,000	15,000	
Washington, University of				
Research on Inner Asia (B2841)		30,000	30,000	
Washington University				
Studies on politics of public education (X2815)		60,000	40,000	20,000

Appropriations and Payments—United States

<i>Recipient and/or Purpose</i>	<i>Appropriated or Allocated During 1960-61</i>	<i>Balance from Previous Appropriations</i>	<i>Paid During 1960-61</i>	<i>Unpaid Balance Carried Forward</i>
Wesleyan University To establish two experimental colleges within the University (B2946)		\$100,000	\$100,000	
Western Interstate Commission for Higher Education To plan and prepare for increased college enrollment (B2873)		36,000	36,000	
Western Michigan University Studies on non-Western world (B2982)		93,800	47,100	\$46,700
Wisconsin, University of Research and training in history of tropical countries (B3019)	\$215,000		43,000	172,000
Junior year program for engineering students at Instituto Tecnologico de Monterrey (X2876)	100,000		55,000	45,000
Pilot program of undergraduate study in India (B2985, B3049)	12,500*		12,500	
Inter-university program of undergraduate study in France (X2897)	60,000		25,000	35,000
Wyoming, University of International affairs program (X2776)		20,000	10,000	10,000
Yale University Research on motivation for academic achievement (X2778)		7,850	7,850	
Program of directed studies in science (B2971)		80,000	20,000	60,000
Experiment in teaching mathematical logic in elementary schools (X2836)		36,000	18,000	18,000
Experiment in teaching children of pre- kindergarten age to read and write (B3020) (see also page 47)	58,300		18,900	39,400
Experimental program of teaching fellowships (B3025)	65,000		40,000	25,000
Studies and Programs Administered by the Officers				
Conference on Education in National Development (X2860)	12,000		35	11,965
Distribution of American art teaching materials (B2954)		253,092	178,780	74,312
Dissemination of results of Corporation grants (X2693, X2827)		78,347	19,814	58,533
Evaluation of reading tests (X2860)	2,500		1,500	1,000
Exploration of new programs for undergraduate study abroad (X2763)		2,631	572	2,059
Fellowships and travel grants (X2685, B2909)		174,820	56,319	118,501
Study of motivation for intellectual performance (X2763, X2811)		8,749	2,039	6,710
Study of role of universities in underdeveloped countries (B3030)	22,000		5,500	16,500

Appropriations and Payments—United States

<i>Recipient and/or Purpose</i>	<i>Appropriated or Allocated During 1960-61</i>	<i>Balance from Previous Appropriations</i>	<i>Paid During 1960-61</i>	<i>Unpaid Balance Carried Forward</i>
Funds Made Available but Remaining Unallocated				
Programs of undergraduate study abroad (B2985)		\$186,115	(a)	\$62,115
Unallocated Discretionary Fund (X2915)	\$50,000	50,000	(a)	50,000
Conditional Grants	1,700,000			1,700,000
TOTAL APPROPRIATED OR ALLOCATED	\$10,242,425			
Less: Allocated from funds voted in previous years as shown (*) above	174,000			
TOTALS: UNITED STATES	\$10,068,425(b)	\$10,764,906	\$8,619,745	\$12,213,586

ADJUSTMENTS OF APPROPRIATIONS	Refunds from grants made in previous years	
	1931-32 Scholarly Publication Fund, Encyclopedia of the Social Sciences (B903, B915)	\$ 2,581
	1946-47 Columbia University (B2191)	1,778
	1955-56 Tufts University (X2647)	669
	1956-57 Yale University (X2692)	5,598
	1957-58 Massachusetts Institute of Technology (B2902)	38,310
	1957-58 Tulane University (X2721)	11,071
	1958-59 American Association of Colleges for Teacher Education (X2811)	405
	1958-59 Brooklyn Public Library (X2763)	754
	1958-59 National Education Association (X2783)	2,083
	1958-59 Princeton University (B2937)	4,597
	1958-59 Princeton University (X2800)	924
	1959-60 Educational Testing Service (X2834)	2,851
		\$71,621

(a) \$174,000 allocated to individual institutions included in list.
(b) Appropriated from current income \$8,968,425; from future income \$1,100,000.

Appropriations and Payments—British Commonwealth

<i>Recipient and/or Purpose</i>	<i>Appropriated or Allocated During 1960-61</i>	<i>Balance from Previous Appropriations</i>	<i>Paid During 1960-61</i>	<i>Unpaid Balance Carried Forward</i>
African-American Institute Inter-university scholarship program for African students (X2871)	\$55,000		\$55,000	
Central Advisory Committee for Education in the Atlantic Provinces Program of testing high school students (X2731)		\$15,100		\$15,100
Colonial Office (London) Liaison on problems of African education (X2861)	2,900*		2,900	
Columbia University Teachers College Cooperative Afro-Anglo-American program in African education (B3012) (see also page 46)		150,000	75,000	75,000
Educational Services, Inc. Travel expenses to New Zealand and Australia of consultants on the teaching of the physical sciences (X2861)	1,800*		1,800	
Federal Government of Nigeria Study of post-secondary educational requirements in Nigeria (B2956)		5,759	{ 1,654(b) 4,105	
Support of a secretariat for Coordinating Committee for Overseas Aid to Education (X2903)	225,000		82,000	143,000
Inter-University Council for Higher Education Overseas Fellowships (B2965)		82,000		82,000
Laval University Educational research (B2854)		23,000	23,000	
Makerere College (The University College of East Africa) Expansion of extra-mural programs (X2859)		62,000	20,000	42,000
Nigerian College of Arts, Science and Technology To strengthen regional service of Department of Education (X2858)		56,000	28,000	28,000
Rhodesia and Nyasaland, University College of Consultations on education in central Africa (X2861)	1,262*		1,262	
Study of trained manpower requirements in the Rhodesias and Nyasaland (X2892)	30,000		30,000	
Royal Institute of International Affairs Travel expenses of delegates to the Common- wealth Conference in Nigeria (X2861)	12,500*			12,500

(b) Written off; included in total payments.

Appropriations and Payments—British Commonwealth

<i>Recipient and/or Purpose</i>	<i>Appropriated or Allocated During 1960-61</i>	<i>Balance from Previous Appropriations</i>	<i>Paid During 1960-61</i>	<i>Unpaid Balance Carried Forward</i>
Rural Training and Demonstration Centre, Asaba, Nigeria Program of village community development (B2503)		\$16,684	\$8,500	\$8,184
University College, Ibadan Library training course (B2955)		42,000	14,000	28,000
West Indies, University College of the Training in administration (B2897)		70,000	35,000	35,000
Studies and Programs Administered by the Officers American Book Shelf: distribution of books about the U. S. (X2671)		5,230	{ 4,790(b) 440	
Conferences on problems of assistance to tropical African countries (X2764)		131	131(b)	
Travel grants: 104 allocations (X2770, X2820, X2872)	\$172,079 } 15,471* }	156,813	171,305	157,587
Funds Made Available but Remaining Unallocated				17,921
Travel grants (X2872)	17,921			
Discretionary Fund (X2916)	25,000	25,000	{ 6,538(b) (a)	25,000
TOTAL APPROPRIATED OR ALLOCATED:	\$558,933			
Less: Allocated from funds voted in previous years as shown (*) above	33,933			
TOTALS: BRITISH COMMONWEALTH	\$525,000	\$709,717	\$565,425	\$669,292

(a) \$18,462 allocated to individual institutions, included in list

(b) Written off; included in total payments

<i>ADJUSTMENTS OF APPROPRIATIONS</i>	<i>Not required: written off (listed above)</i>	<i>\$13,113</i>
	<i>Refunds from grants made in previous years</i>	
	1955-56 Royal Institute of International Affairs (B2801)	204
	1956-57 Educational Testing Service (X2605)	4,107
	1958-59 Federal Government of Nigeria (B2956)	11,178
	1959-60 American Council on Education (B3013)	12,772
	1959-60 University of Nigeria (X2812)	2,813
		<u>\$44,187</u>

UNITED STATES AND BRITISH COMMONWEALTH

SUMMARY OF APPROPRIATIONS AND PAYMENTS

	<i>Appropriated or Allocated During 1960-61</i>	<i>Balance from Previous Appropriations</i>	<i>Paid During 1960-61</i>	<i>Unpaid Balance Carried Forward</i>
FOR PURPOSES IN UNITED STATES	\$10,068,425	\$10,764,906	\$8,619,745	\$12,213,586
FOR PURPOSES IN BRITISH COMMONWEALTH	525,000	709,717	565,425	669,292
TOTALS	<u>\$10,593,425</u>	<u>\$11,474,623</u>	<u>\$9,185,170</u>	<u>\$12,882,878</u>

Grants for Travel Commonwealth Program

During the Year Ended September 30, 1961

From Australia

W. V. ABRAHAM

Architect-Planner, University of Sydney
University architecture and development planning, United States and Canada

D. S. ANDERSON

Educational Research Officer, University of Melbourne
Student selection and counseling, United States and Canada

F. W. AYSROUGH

Professor of Chemical Technology, University of New South Wales
Teaching and research in chemical technology, United States

R. F. BRISSENDEN

Senior Lecturer in English, Australian National University
Teaching of American literature and the drama, United States

J. G. BROCKIS

Senior Assistant, Department of Surgery, University of Western Australia
Teaching and technical advances in surgery, United States and Canada

H. J. COWAN

Professor of Architectural Science, University of Sydney
Teaching of science and structural theory in architectural schools, United States, Canada, and Mexico

F. W. HARWOOD

Senior Lecturer in English, University of Tasmania
Techniques of linguistic analysis, data processing, and dictionary construction, United States

GEORGE HOWIE

Senior Lecturer in Education, University of Sydney
Secondary education and teacher training, United States and Canada

STEPHEN KANEFF

Senior Lecturer in Electrical Engineering, University of Adelaide
Power system and network analysis and courses in electrical engineering, United States

T. C. LAMBLE

Registrar, Administrative, University of New England
University administration, United States and Canada

J. R. LAWLER

Senior Lecturer in French, University of Melbourne
Teaching of modern languages and literature, United States and Canada

I. G. MEDDLETON

Senior Lecturer in Education, Research, and Higher Degrees, University of Queensland
Research on teaching, examination techniques, and learning theory, United States and Canada

GWENDA SARGEANT

Law Librarian, University of Adelaide
Law librarianship and law libraries, United States

J. H. SHAW

Senior Lecturer in Adult Education, University of New England
University programs in rural community development, United States and Canada

B. W. SMITH

Senior Lecturer in Fine Arts, University of Melbourne
American art and graduate teaching in fine arts, United States

D. C. THOMSON

Senior Lecturer in Law, University of Sydney
Teaching and research in labor law and labor relations, United States and Canada

A. D. TWEEDIE

Senior Lecturer-in-Charge, Geography Department, Newcastle University College
Teaching and research in geography, United States and Canada

Grants for Travel—Commonwealth Program

A. H. WILLIS
Professor of Mechanical Engineering, University
of New South Wales
Research and extension programs in agricultural
engineering, United States and Canada

T. E. WOODWARD
Senior Lecturer in Entomology, University of
Queensland
Teaching and research in entomology, United
States

From Basutoland

J. M. MOHAPELOA
Education Officer, Basutoland Education Depart-
ment
Secondary education and in-service teacher train-
ing, United States and Canada

From Canada

R. L. JEFFERY
Professor of Mathematics, Acadia University
Consultations, Summer Research Institute, Aus-
tralian Mathematical Society, Australia

From Hong Kong

S. S. HSUEH
Lecturer in Political Science, University of Hong
Kong
Teaching and research in political science and
public administration, United States and Canada

From Kenya

EDGAR WRIGHT
Senior Lecturer in English, The Royal College
Teaching of literature and English as a second
language, United States

From New Zealand

C. C. AIKMAN
Professor of Law, Victoria University of Wellington
Legal education, United States and Canada

A. G. BOGLE
Professor of Electrical Engineering, University of
Auckland
Electrical engineering and the engineering cur-
riculum, United States

FREDERICK CHONG
Professor of Mathematics, University of Auckland
New developments in school and college mathe-
matics teaching, United States

K. M. HAY
Supervisor, Broadcasts to Schools and Children's
Programs, New Zealand Broadcasting Service
Educational broadcasting and television, United
States and Canada

G. A. McLELLAN
Professor of Physics, University of Canterbury
Teaching and research in solid state physics,
United States

J. A. R. MILES
Professor of Microbiology, University of Otago
Research problems in microbiology and medical
education, United States

J. N. NORTHEY
Professor of Public Law, University of Auckland
Legal education and problems of administrative
law, United States and Canada

From Nigeria

F. I. AJUMOGOBIA
Permanent Secretary, Federal Ministry of Edu-
cation
American education and institutions concerned
with Africa, United States and Canada

THE REV. CANON E. O. ALAYANDE
Principal, Ibadan Grammar School
Educational systems, United States and Canada

DORIS M. DAVIES
Nursing Sister, Yaba Mental Hospital
Mental health services, training of nursing per-
sonnel, United States

I. J. D. DURLONG
Administrative Officer, Northern Region Govern-
ment
Government administration, United States

S. A. LADEINDE
Deputy House Governor, University College Hos-
pital, Ibadan
Hospital administration, United States and Canada

DAVID MILES
Organizer, Schools Broadcasts, Ministry of Edu-
cation
Educational radio and television, United States

Grants for Travel—Commonwealth Program

K. C. OKORIE

Regional Librarian and Secretary, Eastern Region
Library Board

Organization and extension services of public
libraries, United States and Canada

ADEGOKE OLUBUMMO

Lecturer in Mathematics, University College,
Ibadan

University education and research in functional
analysis, United States

From South Africa

R. A. L. BLACK

Professor of Mining Engineering, University of the
Witwatersrand

Graduate teaching and research in mining engi-
neering, United States and Canada

P. J. BRITTON

Music Organizer, Natal Education Department
Music education, United States

N. D. CLARENCE

Professor of Physics, University of Natal
Techniques of atmospheric and oceanographic
research, United States

J. J. N. CLOETE

Senior Lecturer in Political Science and Public
Administration, University of Pretoria
Teaching and research in public administration
and political science, United States

J. C. DE WET

Professor of Law, University of Stellenbosch
Teaching and research methods of American law
schools, United States

H. F. DICKIE-CLARK

Lecturer in Sociology, University of Natal
Sociological theory and the teaching of sociology,
United States

G. H. DURRANT

Professor of English, University of Natal
Teaching of English and general education, United
States and Canada

T. J. D. FAIR

Senior Lecturer in Geography, University of the
Witwatersrand

Methods of regional analysis of underdeveloped
areas, United States

H. K. GIRLING

Senior Lecturer in English, University of the
Witwatersrand

Teaching of American literature and methods of
graduate research, United States and Canada

D. C. KROGH

Senior Lecturer in Economics, University of
Pretoria

Systems of social accounting, United States

H. C. VAN ROOY

University Librarian, Potchefstroom University
Schemes of library cooperation, United States

From Southern Rhodesia

GEORGE FORTUNE

Professor of African Languages, University Col-
lege of Rhodesia and Nyasaland

Teaching and research methods in linguistics and
the application to African languages, United
States

S. B. NGCOBO

Lecturer in Economics, University College of
Rhodesia and Nyasaland

Centers of African studies and departments of
economics, United States

C. A. ROGERS

Senior Lecturer in Psychology, University College
of Rhodesia and Nyasaland
Centers of African studies, United States

From Uganda

R. R. TRUSSELL

First Assistant, Department of Obstetrics &
Gynaecology, Makerere College Medical School
Cancer chemotherapy and gynaecological research,
United States and Canada

From the United States

J. B. FULLEN

Secretary, Ohio State University Association
Consultations on alumni organization, South
Africa

From the West Indies

J. W. PURSEGLOVE

Professor of Botany and Dean of the Faculty of
Agriculture, University College of the West
Indies

Agricultural education and botanic gardens,
United States and Canada

Institutions Receiving Subsidies to Purchase Color Slides of the Arts of the United States

During the Year Ended September 30, 1961

Readers of previous annual reports will be familiar with the extensive survey of American art which was made under Carnegie auspices. Grants to the University of Georgia resulted in the selection, by a distinguished committee, of art objects in 18 categories to be reproduced in color-slide form for teaching purposes. The slides have been organized into two sets, one of 2,500 slides, the other of 1,500.

During the year under review, the following institutions received subsidies of 50 per cent of the purchase price toward buying the sets:

Sets of 2,500 Slides

University of Arizona, Tucson
Carleton College, Northfield, Minnesota
Cedar Crest College, Allentown, Pennsylvania
University of Denver, Denver, Colorado
Earlham College, Richmond, Indiana
Harvard University, Cambridge, Massachusetts
University of Hawaii, Honolulu
Kalamazoo Institute of Arts, Kalamazoo, Michigan
Kansas City Art Institute and School of Design, Kansas City, Missouri
Kent State University, Kent, Ohio
Long Beach State College, Long Beach, California
Macalester College, Saint Paul, Minnesota
Metropolitan Museum of Art, New York City
University of Missouri, Columbia
Monmouth College, Monmouth, Illinois
Montclair State Teachers College, Montclair, New Jersey
Munson-Williams-Proctor Institute, Utica, New York
University of Nevada, Reno
Ohio State University, Columbus
University of Pittsburgh, Pittsburgh, Pennsylvania
University of Rochester, Rochester, New York
San Diego State College, San Diego, California
San Jose State College, San Jose, California
Sweet Briar College, Sweet Briar, Virginia
University of Texas, Austin
University of Washington, Seattle

Sets of 1,500 Slides

Albany Institute of History and Art, Albany, New York
Alleghany College, Meadville, Pennsylvania
Atlantic Union College, South Lancaster, Massachusetts
Colby College, Waterville, Maine
Dartmouth College, Hanover, New Hampshire
Gettysburg College, Gettysburg, Pennsylvania
Goucher College, Towson, Maryland
Keene Teachers College, Keene, New Hampshire
Lafayette College, Easton, Pennsylvania
Long Island University, Brooklyn, New York
Madison College, Harrisonburg, Virginia
University of Maine, Orono
Marshall University, Huntington, West Virginia
Mills College, Oakland, California
Mount Holyoke College, South Hadley, Massachusetts
University of Notre Dame, Notre Dame, Indiana
Oregon State College, Corvallis
Pan American College, Edinburg, Texas
C. W. Post College, Long Island University, Brookville, New York
Sacramento State College, Sacramento, California
Saint Joseph's College, Rensselaer, Indiana
University of Scranton, Scranton, Pennsylvania
State Teachers College at Towson, Baltimore, Maryland
State University College of Education, Potsdam, New York
Washington and Jefferson College, Washington, Pennsylvania
Wesleyan College, Macon, Georgia

The Treasurer's Report

Starting on page 68 are the customary statements of the Corporation's assets and liabilities on September 30, 1961, its income and expenditures for the year ended on that date, a summary of the investments held at the year end and of the changes in investments during the year, and a list of all the securities owned at the year end with their cost and market values. These statements were audited by the independent public accounting firm of Price Waterhouse & Co.; their opinion that the statements present fairly the Corporation's financial position and its income, expenses, and appropriations appears on page 67.

The following comments are intended to supplement the information about the Corporation's financial position and the changes during the year furnished by the audited statements.

The Corporation's assets at cost or book value on September 30, 1961, were classified as follows:

	<i>Sept. 30, 1961</i>	<i>%</i>	<i>Sept. 30, 1960</i>	<i>(+) Increase or (-) Decrease During the Year</i>
Marketable Securities				
U. S. Government Bonds	\$27,883,973	12.62	\$30,285,164	— \$2,401,191
Other Bonds	88,782,163	40.20	95,806,680	— 7,024,517
Mortgages	15,698,402	7.11	6,087,148	+ 9,611,254
Preferred Stocks	4,253,425	1.93	4,253,425	
Common Stocks	82,413,545	37.31	74,422,559	+ 7,990,986
Cash	882,825	.40	2,205,075	— 1,322,250
Other Assets	954,266	.43	954,266	
	<u>\$220,868,599</u>	<u>100.00</u>	<u>\$214,014,317</u>	<u>+\$6,854,282</u>

Annual Report for 1961

The book value of all the investments held, bonds, mortgages, and preferred and common stocks, increased during the year by \$8,176,532. The holdings of common stocks and mortgage notes were increased substantially; the holdings of government and corporate bonds were reduced. The market value of all the marketable securities held increased during the year by \$29,843,352. The year end total of \$285,617,776 was \$66,586,268 more than cost.

The Corporation's assets as reported include certain items of income not yet paid out. The total of this unspent income is:

	<u>Sept. 30, 1961</u>	<u>(+) Increase or (-) Decrease During the Year</u>
Reserves for Pensions		
Carnegie Foundation	\$1,300,001	
Professors' Annuities	<u>127,867</u>	
	\$1,427,868	+ \$79,330
Appropriations Payable	\$12,882,878	
Less: Payable Out of Future Income	<u>1,256,584</u>	
	<u>11,626,294</u>	<u>+ 511,630</u>
	\$13,054,162	+ \$590,960

Endowment

Deducting this undisbursed income from total assets leaves a remainder of \$207,814,437. This is the Corporation's capital fund, made up of:

	<u>Sept. 30, 1961</u>	<u>(+) Increase During the Year</u>
Endowment and Legacies	\$135,336,869	
Accumulated Net Gain on Endowment Assets	<u>72,477,568</u>	
	\$207,814,437	+ \$6,263,322

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The accumulated net gain is set aside in Depreciation Reserve and in Counsel's opinion is not income and is not available for appropriation. It is to provide for possible future losses from sale or redemption of securities, and loss of premiums on bonds or in the recovery of the remaining reversionary interests in the trusts handled by Home Trust Company.

Other Assets

More than 99 per cent of the Corporation's assets is made up of cash and marketable securities at cost. The remainder came mostly from bequests under the wills of Mr. Carnegie and Mrs. Carnegie.

CARNEGIE HOUSE PROPERTIES

The Carnegie House properties were bequeathed to the Corporation by Mrs. Carnegie. They are carried on the Corporation books at the nominal value of \$1. They consist of the land and two buildings located in New York City at 2 East Ninety-first Street and 9 East Ninetieth Street. The properties are leased rent-free until September 30, 1970, to Columbia University and occupied by the New York School of Social Work, an affiliated graduate school of the University. The School of Social Work sublets part of one building to the New York School for Nursery Years.

HOME TRUST COMPANY

The Corporation owns all the capital stock (except directors' qualifying shares) of Home Trust Company, which is carried in the Corporation accounts at its appraised value when acquired in 1925 from Mr. Carnegie's estate. It also owns the reversionary interest in various trusts established by Mr. Carnegie and administered by Home Trust Company.

President of Home Trust Company is C. Herbert Lee, treasurer of Carnegie Corporation; vice president is James A. Perkins, vice president of Carnegie Corporation; secretary is Jerome A. Q. Franks; and

Annual Report for 1961

treasurer is Walter A. Mahlstedt, vice president of Teachers Insurance and Annuity Association. These persons, with William W. Marvel, executive associate of Carnegie Corporation, make up the Trust Company's board of directors.

Home Trust Company was organized in 1901 in New Jersey to care for various of Mr. Carnegie's financial interests after he retired. It became trustee of certain trusts set up by Mr. Carnegie during his lifetime to pay pensions to various people on his private pension list. It acted as executor of Mr. Carnegie's estate and is still trustee of certain trusts established by his will. It has never engaged in a general banking business nor accepted deposits. Since it accepts no new business, its activities have steadily declined owing to the deaths of former recipients of pensions and annuities.

When Mr. Carnegie died in 1919 there were 45 annuitants' trusts, and 409 pensioners. There are now 6 annuitants' trusts and 18 pensioners. Of Carnegie Corporation's reversionary interest in these trusts, originally \$5,386,133, so far \$4,766,064 has been received as various trusts expired. The present balance is \$620,069.

ADVANCES TO CARNEGIE FOUNDATION FOR THE ADVANCEMENT OF TEACHING

Through September 30, 1961, the Corporation had advanced \$13,700,000 from income to the Carnegie Foundation for the Advancement of Teaching to enable the Foundation to carry out its obligations for payment of free pensions to retired college and university teachers and their widows. These advances are to be repaid by the Foundation without interest from time to time in the future, from whatever income it has available after the payment of pensions and other expenditures. Their present value is of course dependent on the rate of repayment. There is no way to determine present value now; accordingly, these advances are carried on the Corporation's books at the nominal value of \$1. The Corporation is obligated for advances up to a total not to exceed \$15,000,000. Last year's advances were \$445,000. All the advances to date have been met from income set aside for the

The Detailed Record

purpose. At the present time the Corporation has a reserve of \$1,300,001 which was set aside from past income, to meet future advances; the Corporation set aside a final sum of \$545,000 this year for this purpose.

Changes in Investments During the Year

The proceeds from redemptions, maturities and sales of U. S. Government and low coupon corporate bonds were used to purchase mortgage notes and higher coupon bonds. A considerable amount of common stocks was sold and the proceeds, including the realized net profits, were reinvested in other common stocks.

The sales of common stocks realized a profit of \$8,266,318 and the sales of bonds a loss of \$2,004,406. The net profit on all security transactions for the year was \$6,261,912, which was added to Depreciation Reserve. At the year's end the indicated market value of all securities held was \$285,617,776, which was \$66,586,268 more than cost (or book) value. The common stocks had a market value of \$69,856,063 greater than cost, but market value was less than cost by \$2,574,411 for bonds, \$560,644 for preferred stocks, and \$134,740 for mortgages.

Income and Appropriations

The income received from securities during the year was again equal to a return of 4.99 per cent on the cost of securities held at the year end. The details of income and appropriations are given on the next page. Other income was principally \$47,460 received as dividends on annuity policies purchased in the past by the Corporation from Teachers Insurance and Annuity Association to supplement allowances for retired college professors provided by the Carnegie Foundation for the Advancement of Teaching.

Annual Report for 1961

	<i>1960-61</i>	<i>1959-60</i>	(+) <i>Increase or</i> (-) <i>Decrease</i> <i>from 1959-60</i>
Dividends and Interest on Securities	\$10,926,954	\$10,512,987	+\$413,967
Other Income	49,604	133,503	- 83,899
	<u>\$10,976,558</u>	<u>\$10,646,490</u>	<u>+\$330,068</u>
Investment Service and Custody Fee	92,959	87,076	+ 5,883
	<u>\$10,883,599</u>	<u>\$10,559,414</u>	<u>+\$324,185</u>
Administrative Expenses	752,408	705,422	+ 46,986
	<u>\$10,131,191</u>	<u>\$9,853,992</u>	<u>+\$277,199</u>
Transferred to Reserves	550,199	906,657	- 356,458
	<u>\$9,580,992</u>	<u>\$8,947,335</u>	<u>+\$633,657</u>
Appropriations			
Authorized (excluding those deferred)	9,493,425	9,122,770	+ 370,655
Of previous years for payment in 1960-61	<u>148,000</u>		<u>+ 148,000</u>
Excess of appropriations over income for the year	\$60,433	\$175,435	-\$115,002
Appropriations refunded during the year	115,808	124,525	- 8,717
Unappropriated income brought forward from preceding year	<u>161,041</u>	<u>211,951</u>	<u>- 50,910</u>
Balance unappropriated and carried forward to succeeding year	<u>\$216,416</u>	<u>\$161,041</u>	<u>+\$55,375</u>
United States	<u>\$180,270</u>	<u>\$197,733</u>	<u>- \$17,463</u>
British Commonwealth	<u>36,146</u>	<u>36,692</u>	<u>+ 72,838</u>

PRICE WATERHOUSE & CO.

56 Pine Street
New York 5
October 31, 1961

TO THE BOARD OF TRUSTEES,
CARNEGIE CORPORATION OF NEW YORK

We have examined the balance sheet of Carnegie Corporation of New York as of September 30, 1961 and the related statements of income, expenses and appropriations for the year then ended and other supporting schedules. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances, including confirmation of cash and securities owned at September 30, 1961 by correspondence with depositaries.

The attached financial statements have been prepared on the accrual basis except that dividend and interest income on securities and administration expenses, including expenditures for furniture and equipment, are reported on the cash basis of accounting. However, if the latter items were stated on the accrual basis of accounting, the effect on net income of the corporation would not be material.

In our opinion, the accompanying statements present fairly, on the basis indicated above which is consistent with that of the preceding year, the financial position of Carnegie Corporation of New York at September 30, 1961, and its income, expenses and appropriations for the year then ended.

PRICE WATERHOUSE & CO.

C A R N E G I E C O R P O R A T I O N O F N E W Y O R K

EXHIBIT I

B A L A N C E S H E E T

September 30, 1961

Assets

Securities at Book Amount (SCHEDULE A and NOTE 1)

Bonds		
U. S. Government	\$27,883,973	
Other	88,782,163	
Mortgages	15,698,402	
Stocks		
Preferred	4,253,425	
Common	<u>82,413,545</u>	
Total (Indicated market value \$285,617,776)		\$219,031,508
Cash		882,825
Other Assets (NOTE 2)		
Reversionary Interests	\$620,069	
Home Trust Co., Capital Stock	334,195	
Items at nominal value	<u>2</u>	
		954,266

\$220,868,599

- NOTES
1. Investments in securities are carried generally at cost if purchased or at quoted market value at dates of receipt if acquired by gift.
 2. See pages 63-64.

CARNEGIE CORPORATION OF NEW YORK

EXHIBIT I

BALANCE SHEET

September 30, 1961

Funds, Reserves, and Liabilities

Capital Fund				
Endowment			\$125,000,000	
Legacies			10,336,869	
Depreciation Reserve (NOTE 2)				
Balance at beginning of year		\$66,214,246		
Add: Profit on sale of securities		6,261,912		
Profit on recovery of				
Reversionary Interests		<u>1,410</u>		
Balance at end of year			<u>72,477,568</u>	
				\$207,814,437
Reserves for Pensions				
Carnegie Foundation			\$1,300,001	
Professors' Annuities			<u>127,867</u>	
				1,427,868
	<i>British</i>	<i>United</i>		
	<i>Commonwealth</i>	<i>States</i>		
Appropriations Authorized				
Current—Payable from income				
received prior to September 30,				
1961	\$669,292	\$10,740,586	\$11,409,878	
Deferred—Payable from income				
of the fiscal years ending				
September 30, 1962		\$548,000		
September 30, 1963		525,000		
September 30, 1964		<u>400,000</u>		
		<u>\$1,473,000</u>	<u>1,473,000</u>	
Totals (see page 56)	<u>\$669,292</u>	<u>\$12,213,586</u>		12,882,878
Appropriations in excess of income to date				
Payable out of future income, United States (EXHIBIT II)				1,292,730
Unappropriated income to date				
British Commonwealth (EXHIBIT III)				<u>36,146</u>
				<u>\$220,868,599</u>

C A R N E G I E C O R P O R A T I O N O F N E W Y O R K

EXHIBIT II

UNITED STATES

*Statement of Income, Expenses and Appropriations**For the Year Ended September 30, 1961**and Appropriations Payable Out of Future Income*

Income		
Dividends and interest on securities (SCHEDULE A)	\$10,328,303	
Other Income*	49,604	
	<u>\$10,377,907</u>	
Less: Investment service and custody fee	92,959	
	<u></u>	\$10,284,948
Administrative expenses (SCHEDULE C)		707,408
Net Income		<u>\$9,577,540</u>
Transfer to pension reserves		
Carnegie Foundation	\$545,000	
Professors' Annuities	5,199	
	<u></u>	550,199
Income available for appropriations		<u>\$9,027,341</u>
Appropriations of available income		
Authorized during current year (see page 54)	\$8,968,425	
Authorized during prior years	148,000	
	<u>\$9,116,425</u>	
Deduct: Appropriations refunded	71,621	9,044,804
	<u></u>	
Appropriations in excess of income for the year		\$17,463
Balance, unappropriated income October 1, 1960		<u>197,733</u>
Balance, unappropriated income September 30, 1961		\$180,270
Deduct—Appropriations authorized payable out of future income (SEE EXHIBIT I)		<u>1,473,000</u>
Appropriations in excess of income to date		
Payable out of future income		<u>\$1,292,730</u>

* Other income, see page 65.

C A R N E G I E C O R P O R A T I O N O F N E W Y O R K

EXHIBIT III

BRITISH COMMONWEALTH

Statement of Income, Expenses and Appropriations

For the Year Ended September 30, 1961

and Unappropriated Income

Income		
Dividends and interest on securities (SCHEDULE A)		\$598,651
Administrative expenses (SCHEDULE C)		<u>45,000</u>
Income available for appropriations		\$553,651
Appropriations authorized during current year (see page 56)	\$525,000	
Deduct		
Appropriations refunded or not needed	<u>44,187</u>	<u>480,813</u>
Income in excess of appropriations for the year		\$72,838
Deduct		
Balance, appropriations in excess of income September 30, 1960		<u>36,692</u>
Balance, unappropriated income September 30, 1961		<u><u>\$36,146</u></u>

CARNEGIE CORPORATION OF NEW YORK

SCHEDULE A

Summary of Securities Held

September 30, 1961

and Income for the Year

	<i>Shares</i>	<i>Par</i>	<i>Amount</i>	<i>Approximate Market Quotations</i>	<i>(+) Greater or (-) Less than Book</i>	<i>Income</i>
Bonds						
U. S. Government		\$27,840,000	\$27,883,973	\$28,297,156	+ \$413,183	\$1,201,821
Other		88,149,882	88,782,163	85,794,569	- 2,987,594	3,967,437
Totals		\$115,989,882	\$116,666,136	\$114,091,725	- \$2,574,411	\$5,169,258
Mortgages		15,923,314	15,698,402	15,563,662	- 134,740	431,032
Stocks						
Preferred	94,019		4,253,425	3,692,781	- 560,644	175,275
Common	2,596,168.65		82,413,545	152,269,608	+ 69,856,063	5,151,389
Totals, SCHEDULE B	<u>2,690,187.65</u>	<u>\$131,913,196</u>	<u>\$219,031,508</u>	<u>\$285,617,776</u>	<u>+ \$66,586,268</u>	
Total Income						<u>\$10,926,954</u>
British Commonwealth—Allocated in accordance with Resolution B2263						\$598,651
United States						10,328,303
						<u>\$10,926,954</u>

Summary of Security Transactions

During Year Ended September 30, 1961

	<i>Rights</i>	<i>Shares</i>	<i>Par</i>	<i>Book Amount</i>
Balance, October 1, 1960		2,702,109.5	\$130,808,173	\$210,854,976
Purchased, Transferred or Exchanged	141,900	513,016.15	47,918,490	68,474,454
Totals	141,900	3,215,125.65	\$178,726,663	\$279,329,430
Sold, Redeemed or Exchanged	141,900	524,938	46,813,467	60,297,922
Balance, September 30, 1961		<u>2,690,187.65</u>	<u>\$131,913,196</u>	<u>\$219,031,508</u>
Net Profit on Securities Sold, Redeemed or Exchanged				<u>\$6,261,912</u>

CARNEGIE CORPORATION OF NEW YORK

SCHEDULE B

Statement of Securities

As of September 30, 1961

<i>Bonds</i>	<i>Par</i>	<i>Book Amount</i>	<i>Approximate Market Quotations</i>
U. S. Government,			
Treasury Notes			
5s, Ser. B, Aug. 15, 1964	\$4,500,000	\$4,500,000	\$4,670,156
4 $\frac{7}{8}$ s, Ser. C, Nov. 15, 1963	3,430,000	3,485,702	3,530,756
4 $\frac{7}{8}$ s, Ser. C, Nov. 15, 1964	4,750,000	4,782,344	4,901,406
Treasury Bills			
Oct. 5, 1961	3,500,000	3,497,535	3,498,950
Oct. 13, 1961	2,100,000	2,090,415	2,098,488
Federal Land Banks			
4 $\frac{5}{8}$ s, July 15, 1969	250,000	252,852	252,500
4 $\frac{3}{8}$ s, March 20, 1969	1,210,000	1,197,296	1,213,025
4 $\frac{1}{4}$ s, July 20, 1966	1,500,000	1,500,000	1,509,375
4 $\frac{1}{4}$ s, March 20, 1968	1,500,000	1,493,438	1,496,250
3 $\frac{7}{8}$ s, Sept. 15, 1972	500,000	512,891	478,750
Federal National Mortgage Ass'n.			
5 $\frac{1}{8}$ s, SM-1972-A, Feb. 10, 1972	1,000,000	996,250	1,060,000
Deb. 4 $\frac{5}{8}$ s, SM-1970-A, April 10, 1970	1,000,000	1,001,250	1,020,000
4 $\frac{1}{8}$ s, SM-1970-B, Sept. 10, 1970	2,600,000	2,574,000	2,567,500
Totals	<u>\$27,840,000</u>	<u>\$27,883,973</u>	<u>\$28,297,156</u>
Alabama Power Co.,			
1st 5s, April 1, 1990	\$845,000	\$839,309	\$870,350
Allied Chemical & Dye Corp.,			
Deb. 3 $\frac{1}{2}$ s, April 1, 1978 (Registered)	1,100,000	1,089,000	1,006,500
Aluminum Co. of Canada, Ltd.,			
S. F. Deb. 4 $\frac{1}{2}$ s, April 1, 1980	1,000,000	1,022,540	990,000
S. F. Deb. 3 $\frac{7}{8}$ s, May 1, 1970	842,000	854,630	820,950
American Can Co.,			
Deb. 4 $\frac{3}{4}$ s, July 15, 1990	1,000,000	1,008,000	1,015,000
American Telephone & Telegraph Co.,			
Deb. 5s, Nov. 1, 1983	1,000,000	1,014,610	1,057,500
Deb. 4 $\frac{3}{8}$ s, April 1, 1985	1,000,000	1,012,140	991,250
Deb. 3 $\frac{7}{8}$ s, July 1, 1990	1,000,000	1,027,500	900,000
Deb. 3 $\frac{3}{8}$ s, Dec. 1, 1973	1,023,000	1,038,659	937,324
Deb. 2 $\frac{7}{8}$ s, June 1, 1987	275,000	279,875	206,250
Deb. 2 $\frac{3}{4}$ s, Feb. 1, 1971	1,000,000	1,007,970	877,500
Deb. 2 $\frac{3}{4}$ s, Aug. 1, 1980	215,000	215,000	167,700

Statement of Securities—*continued*

<i>Bonds</i>	<i>Par</i>	<i>Book Amount</i>	<i>Approximate Market Quotations</i>
Associates Investment Co., Deb. 5¼s, Aug. 1, 1977	\$775,000	\$807,938	\$804,063
Bethlehem Steel Corp., Cons. S. F. 2¾s, Ser. I, July 15, 1970	275,000	279,813	242,000
Carolina, Clinchfield & Ohio Ry. Co., 1st 4s, Ser. A, Sept. 1, 1965	174,000	178,475	168,998
Chicago, Burlington & Quincy R.R. Co., Conditional Sale Agreement 3¼s, Ser. B, Nov. 1, 1961 to May 1, 1967	770,842	750,953	758,122
Chicago & Western Indiana R. R. Co., 1st S. F. 4¾s, Ser. A, May 1, 1982	467,000	476,807	459,411
C. I. T. Financial Corp., Deb. 4¾s, July 1, 1970	2,000,000	1,978,750	2,055,000
Deb. 3½s, Sept. 1, 1970	500,000	492,875	474,375
Columbia Gas System, Inc., Deb. 3¾s, Ser. F, April 1, 1981	750,000	748,164	683,438
Consolidated Edison Co. of New York, Inc., 1st & Ref. 5¼s, Ser. Q, Dec. 1, 1989	1,000,000	995,866	1,060,000
1st & Ref. 5s, Ser. N, Oct. 1, 1987	1,000,000	1,007,770	1,042,500
1st & Ref. 4¾s, Ser. R, June 1, 1990	1,000,000	1,007,990	1,035,000
Consolidated Natural Gas Co., Deb. 5s, Feb. 1, 1985	1,000,000	1,008,875	1,050,000
Consumers Power Co., 1st 4¾s, Oct. 1, 1987	699,000	703,467	721,718
Deere & Co., Deb. 2¾s, April 1, 1965	350,000	357,000	332,500
Detroit Edison Co., Gen. & Ref. 4¾s, Ser. P, Aug. 15, 1987 (Registered)	1,000,000	1,000,000	1,017,500
Duke Power Co., 1st & Ref. 5½s, Feb. 1, 1990	1,000,000	1,024,000	1,057,500
Duquesne Light Co., S. F. Deb. 5s, Mar. 1, 2010	980,000	989,036	1,015,525
Florida Power Corp., 1st 3¾s, July 1, 1986	1,010,000	1,024,850	921,625
Food Machinery Corp., S. F. Deb. 2½s, Mar. 15, 1962	350,000	353,063	344,750
Ford Motor Co., Promissory Notes 4s, Nov. 1, 1976 (Registered)	2,500,000	2,500,000	2,350,000
Four Corners Pipe Line, Inc., Notes 5s, Sept. 1, 1982 (Registered)	933,000	933,000	963,323
General Electric Credit Corp., Deb. 4½s, Dec. 31, 1966 (Registered)	2,000,000	2,000,000	2,015,000

<i>Bonds</i>	<i>Par</i>	<i>Book Amount</i>	<i>Approximate Market Quotations</i>
General Motors Acceptance Corp., Deb. 5s, Mar. 15, 1981	\$775,000	\$771,125	\$806,969
Deb. 3½s, Sept. 1, 1975	600,000	594,500	552,000
Goodrich Co., B. F., Promissory Notes 3¼s, Sept. 1, 1977 (Registered)	1,425,000	1,425,000	1,232,625
Gulf States Utilities Co., 1st 4½s, July 1, 1990	1,000,000	1,008,670	1,037,500
Household Finance Corp., S. F. Deb. 2¾s, July 1, 1970	425,000	427,550	380,375
Indiana Michigan Electric Co., S. F. Deb. 5½s, June 1, 1986	500,000	508,860	522,500
International Bank for Reconstruction & Development, 4¾s, Nov. 1, 1980	500,000	498,263	511,250
4½s, Dec. 1, 1973	1,000,000	1,007,313	1,002,500
Deb. 4¼s, May 1, 1978	1,000,000	985,000	970,000
3¾s, May 15, 1968	500,000	476,797	483,750
3s, July 15, 1972	766,000	766,000	670,250
United Kingdom Gtd., 4¾s (Colony of Southern Rhodesia), May 1, 1968 (Registered)	500,000	485,275	486,200
May 1, 1969 (Registered)	500,000	483,625	484,500
May 1, 1970 (Registered)	500,000	482,025	482,800
May 1, 1971 (Registered)	500,000	480,525	481,350
5s (Federal Power Board Rhodesia & Nyasaland), June 1, 1967 (Registered)	300,000	296,040	296,340
Dec. 1, 1967 (Registered)	200,000	197,190	197,380
5¼s (Federation of Nigeria), April 1, 1967 (Registered)	300,000	300,000	300,000
April 1, 1968 (Registered)	300,000	300,000	300,000
April 1, 1969 (Registered)	300,000	300,000	300,000
April 1, 1970 (Registered)	300,000	300,000	300,000
April 1, 1971 (Registered)	300,000	300,000	300,000
International Harvester Credit Corp., Deb. 4½s, Ser. A, Nov. 1, 1979	1,000,000	995,000	998,750
John Deere Credit Co., Deb. 4½s, Ser. A, Oct. 31, 1985	1,000,000	990,000	1,025,000
Long Island Lighting Co., 1st 5¼s, Ser. K, July 1, 1989	700,000	716,037	731,500
Louisiana Power & Light Co., 1st 5s, April 1, 1990	1,000,000	979,250	1,030,000
Louisville & Nashville R. R. Co., 1st & Ref. 3¾s, Ser. 1, April 1, 2003	965,000	962,875	665,850
Metropolitan Edison Co., 1st 2½s, Nov. 1, 1974	200,000	202,750	164,000
Minnesota Mining & Manufacturing Co., S. F. Deb. 2¾s, Oct. 1, 1967	257,000	258,928	239,010

Statement of Securities—*continued*

<i>Bonds</i>	<i>Par</i>	<i>Book Amount</i>	<i>Approximate Market Quotations</i>
Minnesota Power & Light Co., 1st 3 $\frac{1}{8}$ s, Sept. 1, 1975	\$285,000	\$293,725	\$243,675
Missouri Pacific R. R. Co., Conditional Sale Agreement 5.70%, Ser. A, Nov. 1, 1974	1,000,000	1,000,000	1,047,500
Montgomery Ward Credit Corp., Deb. 4 $\frac{7}{8}$ s, July 1, 1980	1,000,000	995,000	1,030,000
New England Telephone & Telegraph Co., Deb. 3s, Oct. 1, 1982	330,000	335,363	252,863
New York & Pennsylvania Co., Inc., 1st 3 $\frac{1}{4}$ s, Oct. 1, 1965 (Registered)	366,000	366,000	342,210
New York Steam Corp., 1st 3 $\frac{1}{2}$ s, July 1, 1963	225,000	238,781	223,594
New York Telephone Co., Ref. 4 $\frac{1}{2}$ s, Ser. J, May 15, 1991	1,000,000	991,250	985,000
Northern States Power Co., 1st 5s, Dec. 1, 1990	500,000	506,125	520,000
Oklahoma Gas & Electric Co., 1st 2 $\frac{3}{4}$ s, Feb. 1, 1975	300,000	305,215	243,750
Pacific Gas & Electric Co., 1st & Ref. 3 $\frac{3}{8}$ s, Ser. Y, Dec. 1, 1987	1,000,000	1,027,500	820,000
Pacific Power & Light Co., 1st 5 $\frac{3}{4}$ s, Sept. 1, 1987	500,000	519,630	520,000
Pacific Telephone & Telegraph Co., Deb. 5 $\frac{1}{8}$ s, Feb. 1, 1993	1,000,000	1,011,980	1,057,500
Deb. 4 $\frac{3}{8}$ s, Aug. 15, 1988	1,000,000	1,025,300	982,500
Pennsylvania R. R. Co., Eq. Tr. Ctfs. 2 $\frac{1}{8}$ s, Ser. S, July 1, 1962	200,000	191,901	197,260
Philadelphia Electric Co., 1st & Ref. 2 $\frac{3}{4}$ s, Nov. 1, 1967	273,000	274,883	253,890
Potomac Electric Power Co., 1st 5s, Dec. 15, 1995	1,250,000	1,260,338	1,300,000
S. F. Deb. 4 $\frac{5}{8}$ s, Feb. 15, 1982	500,000	480,000	496,250
Public Service Co. of Indiana, Inc., 1st 4 $\frac{7}{8}$ s, Ser. L, Oct. 1, 1987 (Registered)	1,000,000	1,000,000	1,002,500
1st 3 $\frac{1}{8}$ s, Ser. F, Sept. 1, 1975	245,000	251,027	211,313
Public Service Co. of Oklahoma, 1st 2 $\frac{3}{4}$ s, Ser. A, July 1, 1975	225,000	230,388	186,750
Public Service Electric & Gas Co., Deb. 4 $\frac{5}{8}$ s, Sept. 1, 1977	500,000	485,000	512,500
Deb. 3 $\frac{1}{2}$ s, Oct. 1, 1975	1,000,000	1,027,500	902,500

<i>Bonds</i>	<i>Par</i>	<i>Book Amount</i>	<i>Approximate Market Quotations</i>
Quebec Hydroelectric Commission, Deb. 5s, Ser. X, July 15, 1984	\$1,000,000	\$1,000,000	\$1,037,500
Sears, Roebuck & Co., Deb. 4¾s, Aug. 1, 1983	1,500,000	1,500,000	1,554,375
Sears Roebuck Acceptance Corp., Sub. Deb. 4½s, May 1, 1977	1,400,000	1,386,000	1,379,000
Shell Caribbean Petroleum Co., 4s, Oct. 1, 1968 (Registered)	3,360,000	3,360,000	3,242,400
Simpsons-Sears Acceptance Co., Ltd., Deb. 5⅞s, Ser. C, Feb. 1, 1980 (Registered)	1,000,000	1,000,000	1,030,000
Southern Bell Telephone & Telegraph Co., Deb. 4s, Oct. 1, 1983	1,000,000	1,005,450	935,000
Southern Electric Generating Co., 1st 5¼s, June 1, 1992	1,000,000	1,007,750	1,047,500
Southern Pacific Co., Eq. Tr. Ctfs. 3⅝s, Ser. UU, Aug. 1, 1967	200,000	201,345	190,120
Eq. Tr. Ctfs. 3⅝s, Ser. UU, Aug. 1, 1968	200,000	201,444	188,100
Eq. Tr. Ctfs. 3⅝s, Ser. UU, Aug. 1, 1969	200,000	201,540	186,040
Eq. Tr. Ctfs. 3⅝s, Ser. UU, Aug. 1, 1970	200,000	201,633	183,920
Eq. Tr. Ctfs. 3⅝s, Ser. UU, Aug. 1, 1971	200,000	201,722	181,740
Southern Ry. Co., 1st Cons. 5s, July 1, 1994	1,000,000	1,333,176	1,005,000
Conditional Sale Agreement 2.95%, Oct. 1, 1961	19,232	19,232	19,232
Standard Oil Co. (N. J.), Deb. 2¾s, July 15, 1974	850,000	854,250	717,188
Superior Oil Co., Deb. 3¾s, July 1, 1981	1,000,000	1,000,000	910,000
Tennessee Gas Transmission Co., Deb. 4½s, Jan. 1, 1977	1,000,000	1,022,701	937,500
Deb. 4¼s, Sept. 1, 1974	935,000	991,147	860,200
Texas Eastern Transmission Corp., 1st 5⅝s, Sept. 1, 1977	456,000	465,566	467,400
1st 4⅞s, April 1, 1979	1,000,000	972,813	995,000
Tidewater Associated Oil Co., S. F. Deb. 3½s, April 1, 1986	1,000,000	1,000,000	810,000
Trunkline Gas Co., 1st 3⅝s, Nov. 1, 1975 (Registered)	850,000	850,000	769,250
Union Carbide Corp., S. F. Notes 4½s, Dec. 31, 1996 (Registered)	2,917,808	2,917,808	2,815,685
U. S. Steel Corp., S. F. Deb. 4s, July 15, 1983	500,000	502,500	472,500

Statement of Securities—*continued*

<i>Bonds</i>	<i>Par</i>	<i>Book Amount</i>	<i>Approximate Market Quotations</i>
Utah Oil Refining Co., Promissory Notes 3.05s, Mar. 1, 1970 (Registered)	\$900,000	\$900,000	\$819,000
Washington Gas Light Co., Ref. 5¼s, June 15, 1985	991,000	997,882	1,020,730
West Penn Power Co., 1st 3½s, Ser. I, Jan. 1, 1966	325,000	344,775	316,063
Woolworth Co., F. W., Promissory Notes 5s, Dec. 1, 1982 (Registered)	1,000,000	1,000,000	1,007,500
Totals	\$88,149,882	\$88,782,163	\$85,794,569
Totals, Bonds	<u>\$115,989,882</u>	<u>\$116,666,136</u>	<u>\$114,091,725</u>
<i>Mortgages</i>			
Abilene AFB Housing, Inc., 4% Mortgage Notes, 1961-82	\$5,807,454	\$5,904,719	\$5,560,637
Instlcorp, Inc., Collateral Trust Notes			
Ser. A-16, 5.08-5%, Dec. 31, 1991	3,442,829	3,327,829	3,434,222
Ser. A-21, 5%, Dec. 31, 1991	1,800,220	1,737,204	1,773,217
Ser. A-23, 4.97%, Dec. 31, 1991	1,325,951	1,305,729	1,311,034
Ser. A-19, 4.94%, Dec. 31, 1991	2,822,793	2,729,390	2,787,508
Ser. A-23, 4.68%, Dec. 31, 1991	51,687	49,587	49,878
Ser. A-25, 4.64%, Dec. 31, 1991	672,380	643,944	647,166
Totals, Mortgages	<u>\$15,923,314</u>	<u>\$15,698,402</u>	<u>\$15,563,662</u>
<i>Preferred Stocks</i>			
	<i>Shares</i>	<i>Book Amount</i>	<i>Approximate Market Quotations</i>
Appalachian Power Co., (cum.) 4½%	1,859	\$212,151	\$176,605
Atchison, Topeka & Santa Fe Ry. Co., (non-cum.) 5%	30,000	271,487	300,000
Carrier Corp., (cum.) 4½%	5,700	302,091	256,500
Connecticut Light & Power Co., (cum.) \$2	5,500	295,354	231,000
Dayton Power & Light Co., (cum.) "A" 3.75%	440	44,000	34,100
Monongahela Power Co., (cum.) 4.40%	2,750	306,795	239,938
New York State Electric & Gas Corp., (cum.) 3.75%	2,700	265,725	207,900
Niagara Mohawk Power Corp., (cum.) 3.90%	2,140	222,560	167,990
(cum.) 3.60%	2,300	236,555	166,175
Northern States Power Co., (cum.) \$3.60	1,130	116,108	82,773
Ohio Power Co., (cum.) 4½%	1,300	148,830	121,875
Pacific Gas & Electric Co., (cum.) 1st 5%, Redeemable	21,000	552,493	538,125
Public Service Co. of Colorado, (cum.) 4¼%	1,400	140,000	121,100
Public Service Co. of Oklahoma, (cum.) 4%	1,500	154,125	119,250
South Carolina Electric & Gas Co., (cum.) 5%	3,300	173,468	165,000
Southern California Edison Co., (cum.) 4.32%	6,200	178,350	135,625
Union Electric Co., (cum.) \$4.50	1,300	148,782	122,200
U. S. Steel Corp., (cum.) 7%	3,500	484,551	506,625
Totals, Preferred Stocks	<u>94,019</u>	<u>\$4,253,425</u>	<u>\$3,692,781</u>

<i>Common Stocks</i>	<i>Shares</i>	<i>Book Amount</i>	<i>Approximate Market Quotations</i>
Allied Chemical Corp.	15,522	\$328,343	\$911,918
Aluminium, Ltd.	28,000	966,842	780,500
American Can Co.	37,400	1,575,459	1,668,975
American Electric Power Co., Inc.	20,500	275,078	1,399,125
American Metal Climax, Inc.	3,500	124,720	115,938
American Natural Gas Co.	23,500	972,130	1,081,000
American Telephone & Telegraph Co.	65,520	3,281,289	7,878,780
Bankers Trust Co.	25,000	687,343	1,725,000
Beneficial Finance Co.	19,500	646,919	1,123,688
Bethlehem Steel Corp.	10,300	172,029	414,575
Caterpillar Tractor Co.	62,400	361,083	2,371,200
Central & South West Corp.	53,200	761,548	2,234,400
Champion Papers Inc.	35,700	1,079,008	1,347,675
Chesapeake & Ohio Ry. Co.	19,300	1,340,770	1,090,450
Christiana Securities Co.	9,200	640,320	1,738,800
Coca-Cola Co.	13,000	852,742	1,199,250
Consolidated Edison Co. of New York, Inc.	33,000	1,605,944	2,549,250
Continental Illinois National Bank & Trust Co. (Chicago)	6,200	633,061	985,800
Continental Oil Co.	25,000	522,282	1,221,875
Crown Zellerbach Corp.	29,000	1,160,206	1,711,000
Dow Chemical Co.	11,040	372,157	872,160
Du Pont de Nemours & Co., E. I.	2,500	107,788	555,938
Eastern Gas & Fuel Associates	26,010	941,793	1,115,179
Eastman Kodak Co.	12,300	164,549	1,236,150
Falconbridge Nickel Mines, Ltd.	17,500	988,950	1,001,875
Farbenfabriken Bayer A. G., A.D.R.	10,000	984,741	842,500
Firestone Tire & Rubber Co.	31,830	440,257	1,515,904
First National Bank of Boston	9,625	651,363	991,375
First National City Bank of New York	14,363	1,203,423	1,450,663
Florida Power & Light Co.	54,800	646,114	4,247,000
Ford Motor Co.	51,300	3,847,682	5,405,738
General Electric Co.	31,500	343,067	2,362,500
General Motors Corp.	76,000	1,171,439	3,771,500
General Portland Cement Co.	18,200	509,872	611,975
Goodrich Co., B. F.	31,500	1,127,578	2,252,250
Goodyear Tire & Rubber Co.	38,187	686,138	1,642,041
Grant Co., W. T.	57,000	1,801,907	1,667,250
Great American Insurance Co.	17,000	1,088,137	918,000
Gulf Oil Corp.	52,132	775,941	1,850,686
Halliburton Co.	15,000	297,430	735,000
Home Insurance Co.	28,710	1,642,775	1,772,843
Ingersoll-Rand Co.	14,000	230,776	1,190,000
Inland Steel Co.	46,500	835,704	1,987,875
International Business Machines Corp.	3,113	357,413	1,674,794
International Nickel Co. of Canada, Ltd.	23,400	888,757	1,901,250
Island Creek Coal Co.	15,000	790,071	401,250
Johns-Manville Corp.	13,500	264,846	860,625
Kaiser Aluminum & Chemical Corp.	40,000	417,465	1,370,000
Kennecott Copper Corp.	20,800	944,678	1,708,200
Lehigh Portland Cement Co.	18,000	661,252	450,000
Libbey-Owens-Ford Glass Co.	12,000	110,150	645,000
Louisiana Land & Exploration Co.	38,000	859,955	2,726,500
Merck & Co., Inc.	6,000	414,877	490,500
Monsanto Chemical Co.	15,606	390,902	846,626

Statement of Securities—*continued*

<i>Common Stocks</i>	<i>Shares</i>	<i>Book Amount</i>	<i>Approximate Market Quotations</i>
Montana Power Co.	63,000	\$702,737	\$2,677,500
National Bank of Detroit	7,454	392,890	560,914
National Gypsum Co.	21,885	1,016,107	1,334,985
National Lead Co.	8,000	42,876	647,000
Newmont Mining Corp.	15,605	1,147,845	1,092,350
Norfolk & Western Ry. Co.	20,000	1,354,071	2,070,000
Northwest Bancorporation	14,850	360,771	772,200
Ohio Oil Co.	19,890	760,769	745,875
Pacific Gas & Electric Co.	30,000	1,247,996	2,617,500
Panhandle Eastern Pipe Line Co.	37,700	739,900	1,611,675
Phelps Dodge Corp.	42,200	1,006,914	2,505,625
Philip's Gloeilampenfabrieken (1,000 florins)	1,262.65	1,568,631	1,723,517
Pittsburgh Plate Glass Co.	12,000	894,331	771,000
Public Service Electric & Gas Co.	69,700	3,004,179	4,182,000
Puget Sound Power & Light Co.	30,500	766,984	1,220,000
Revere Copper & Brass, Inc.	24,000	1,102,049	1,158,000
Reynolds Metals Co.	21,069	650,246	803,256
St. Regis Paper Co.	9,200	349,742	347,300
Schering Corp.	4,000	200,421	239,500
Sears, Roebuck & Co.	20,000	149,784	1,417,500
Shell Oil Co.	17,600	289,073	651,200
Sinclair Oil Corp.	21,500	1,159,396	795,500
Singer Manufacturing Co.	11,000	987,250	1,155,000
Smith, Kline & French Labs	8,500	584,909	552,500
Socony Mobil Oil Co., Inc.	60,300	1,947,805	2,494,913
Southern California Edison Co.	15,600	675,320	1,339,650
Southern Co.	20,000	745,390	1,160,000
Southwestern Public Service Co.	50,000	686,997	1,600,000
Spencer Chemical Co.	20,000	575,722	820,000
Square D Co.	30,300	908,428	1,177,913
Standard Oil Co. of California	24,500	748,194	1,197,438
Standard Oil Co. of Indiana	20,000	1,022,159	900,000
Standard Oil Co. (N. J.)	80,880	838,381	3,487,950
Texaco, Inc.	53,060	349,825	2,659,633
Texas Gulf Sulphur Co.	58,500	1,453,840	1,352,813
Texas Utilities Co.	10,000	379,515	1,045,000
Unilever N. V. (1,000 florins)	975	2,041,206	2,081,625
Union Carbide Corp.	12,000	256,842	1,617,000
Union Electric Co.	84,000	1,588,211	4,200,000
U. S. Plywood Corp.	22,980	682,513	1,085,805
U. S. Steel Corp.	47,000	1,160,302	3,754,125
Utah Power & Light Co.	28,000	690,039	1,123,500
Westinghouse Electric Corp.	20,000	235,922	900,000
Totals, Common Stocks	<u>2,596,168.65</u>	<u>\$82,413,545</u>	<u>\$152,269,608</u>

C A R N E G I E C O R P O R A T I O N O F N E W Y O R K

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Administrative Expenses

For the Year Ended September 30, 1961

Salaries	\$381,248
Employee Benefits and Insurance	83,504
Rent	67,446
Annual and Quarterly Reports	52,776
Travel	42,840
Conferences and Consultations	27,893
Telephone, Telegraph and Postage	18,180
Pensions	17,461
Office Equipment and Maintenance	14,083
Office Supplies and Expense	12,117
Professional Services	11,255
Trustee Expenses	7,570
Duplicating Services	5,039
Periodicals, Publications and Subscriptions	3,494
Miscellaneous	7,502
Total	<u>\$752,408</u>
Charged to United States	\$707,408
Charged to British Commonwealth	<u>45,000</u>
	<u>\$752,408</u>

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by WM F. FELL C^O
PHILADELPHIA

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Annual report

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